

Mutual accountability in use

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far delivered to the DCs are ODA renamed and repackaged. What is worse, less than one-third of this money has been allocated to adaptation and only about 20 percent of it went to the most vulnerable countries, which number about 100 UNFCCC Parties.

About 100 agencies - bilateral, multi-lateral and international NGOs currently provide CF to the DCs. The administrative costs of such a huge number of agencies cream off a significant share of money before reaching the DCs.

Together, consultants from the ICs get hefty sums from the CF allocated for the DCs. On the other hand, till to date a minuscule fraction of CF is channelled through the democratically-governed Green Climate Fund (GCF) and other regime funds. Obviously the delivery of CF is preferred mostly through the bilateral channels, which allow political leverage of the stronger over the weaker. How the consent of the weaker is manufactured in climate diplomacy has been analysed in detail in the book *Power in a Warming World*, written by this author and two colleagues from Brown University and published by the MIT Press in 2015.

Direct access by the DCs to CF delivered by the GCF has been kept unnecessarily complex, where DCs are on a never-ending and perpetual treadmill of paperwork. If the intention is sincere, why then project approval process and MRV of fund utilisation should remain so cumbersome, taking so much time?

The 20-member Standing Committee on Finance (SCF) of the UNFCCC was established few years ago with the ToR of ensuring coherence,

coordination and mobilisation of CF, but it is not being able to realise their potential, particularly in exercising their latitude of mobilising CF through new and innovative sources.

Though the ICs have floated a new Roadmap on long term finance just before the COP 22 held in Marrakech in November 2016, loan considerations, not grants, in CF dominate, and the Roadmap lacks clarity on other counts, such as additionality and predictability. Obviously, there was, as before, a deadlock in Marrakech over agreement of a decision text on CF.

The ICs appear more interested in capacity building support for transparency in the DCs, than ensuring their own transparency of CF support. This is evident from the obligatory nature of funding for the former (Article 13 of the PA), than for generic capacity building in the DCs (Article 11). Then, how can ownership of CF projects by the DCs can be ensured, as stipulated in the PA?

Reality of T&A in the DCs

The reality of T&A in utilisation of CF by the DCs appears better, compared to their IC counterparts. Here are some supporting arguments for such a thesis

Many developing countries particularly the LDCs and SIDS have compulsion of accepting support to address the increasing climate impacts. The latter tend to undo their development gains. Obviously the most vulnerable countries have no option but to mobilise funds from whatever sources they can. However, the DC's T&A are directed rather upwards than downwards - to the donors than to their citizens and poor communities for whom the CF is mainly meant for. We have to admit that there is a serious lack of good governance in many DCs partic-

ularly over fund management.

The increasingly improved result-based management frameworks (RBM) applied by the donor agencies constrain the misappropriation of funds, if any, in the DCs. Also there is increasing participation of civil society agents in managing CF. Besides, many DCs are already participating in the World Bank's aid management platform, in which all data on aid projects are posted in websites for public scrutiny.

Donor-supported capacity building for improving access to CF is proving not much effective because of the consultancy-led, project-based, workshop-driven short-term nature of such activities.

Extreme fragmentation and lack of coordination among donor agencies in delivery of CF compromises its effectiveness in DCs. Different ministries in the DCs don't even know which ones carry out what kind of projects funded by which sources.

Donor-supported capacity building for improving access to CF is proving not much effective because of the consultancy-led, project-based, workshop-driven short-term nature of such activities. But demand-led sustainable capacity building in the DCs warrant more use of local

resources and long term investment in developing human resources and professional expertise.

Status of T&A in Bangladesh

The government of Bangladesh has initiated two funds: the Climate Change Trust Fund and the Climate Change Resilience Fund. The former has been funded by domestic resources since 2009, so far to the tune of almost half a billion US dollars. The other has been supported by the ICs. The CCRF was being administered by a high-level Governing Council, headed by the Environment Minister. The management also includes civil society representatives. There is also an elaborate and transparent mechanism of project selection and approval. Unfortunately, after its functioning for few years with undertaking of projects worth about USD 200mn, the CCRF is likely to close down, due to some problems, which are not clear to the public. The unspent money, probably about USD 50 million, may go back to donors. This will set a bad precedent. Given sincerity on both sides, unresolved issues can be taken up at appropriate levels for resolution.

Some Ways Forward

- Under the prevailing state of affairs, mutual trust and vulnerable communities are the real and front line victims of continued lack of transparent MRV of CF support and its utilisation. So few suggestions are flagged here for improving the MA in CF

- Defining what CF is in earnest, with fixing a baseline; this will boost mutual trust utterly needed for putting the CF negotiations on track.

- Abandoning the Rio Marker methodology donors may adopt the somewhat better 3-step approach developed by the multilateral development banks for tracking of adaptation finance: a)

setting the risk, impact and vulnerability contexts; b) setting the intent of addressing the defined contexts; and c) demonstrating the direct link between the identified contexts and actual actions.

- Allowing the SCF of the UNFCCC to realise its potential under the mandated ToR.

- Promoting Ownership of aided programs through establishing a genuine Partnership, as stipulated under the newly-established Paris Committee on Capacity Building

- Adoption/implementation of the Right to Information Acts in the DCs; this should be obligatory both for the government agencies and NGOs, as stipulated in the RTI of Bangladesh.

- Agreement on what types of private sector contributions should count particularly as adaptation finance.

- Simplifying accessibility of the DCs to CF on an urgent basis.

- Strengthening the Readiness/Capacity Building programme with sustainable funding on a long term basis, so that in-country capacity suppliers can be produced.

- Tracking of CF through independent oversight, both nationally and internationally.

This write-up is a result of research on Climate Finance and its tracking undertaken by this author, along with Timmons Roberts and students of Climate and Development Lab at Brown University.

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