

Full transparency on process and utilization of donor's climate adaptation money i.e., BCCRF is a imperative need to build country's credibility

Autonomous Body with Democratic Ownership is the Alternative

In view of news on a national daily that on 19th May 2011 there was a meeting of BCCRF (Bangladesh Climate Change Resilience Fund), a climate adaptation fund with donor's contribution. Different donors representatives (including European Union, World Bank, representative from Netherlands Embassy) has participated in the meeting, it was chaired by State Minister for Forest and Environment Dr. Hasan Mahmud. Please note that there is another one separate climate adaptation fund with government contribution which is title as BCCTF (Bangladesh Climate Change Trust Fund).

This is the first meeting of the BCCRF, it has been confirmed that right now government has donor money of \$ 125 millions in this fund. It has also reported that there will be 50 cyclone shelters will be constructed which will cost taka 187 corore, there will be 50 km new road will be constructed and 40 km road will be renovated too. For capacity building \$ 200,000 has been approved, a section will be developed under the ministry in this regard. PKSF (*Palli Kromo Sahayak* Foundation, a micro finance whole sale lending and capacity building autonomous body under the Ministry of Finance) will manage 10 % of the fund which will be implemented through NGOs (non government organization).

It is also quoted as minister said that "At present World Bank will manage the fund and government will take over the fund when the capacity is build."

We the undersigned alliances of civil society organizations / non government organizations leaded by CSRL (Campaign for Sustainable Rural Livelihood) and Equity and Justice Working Group Bangladesh (EquityBD) are advocating for more fund and solidarity to the Bangladeshi people in international level as the country will be the worse victim of climate change impacts. And also within the country we have been campaigning for separate autonomous board with democratic ownership (we use the term in contrary to the government ownership, while government ownership is stand as there are all the government bureaucrats and government policy leaders in the board, democratic ownership means with the participation of policy leaders both from government and opposition party, civil society leaders, media personality, climate victims and local government leaders, etc) in all the climate adaptation fund i.e., for both of BCCRF and BCCTF, and with full practice of transparency. So, taking the information of above news we are expressing following concern in this regard.

- (i) **Need full transparency of the project details and selection process.** It is not clear that what the criteria of the project selection were, who are the government ministry will implement those projects, in which districts those project will be implemented, and how much money has allocated in details. We assumed that all those projects and money will be implemented by government agencies, but if the details have been given then it will help general member of public and media, enabling them to monitor implementation of those projects.

As it is stated and as government is owing the project then it is the responsibility of the project for full disclosure, simultaneously we also urge the World Bank as it is managing the fund for time being and also as PKSF is responsible for implementation of the NGO fund of the BCCRF, they must initiate websites in this regard, with all relevant information. Which should necessarily include, agreement between government, World Bank, PKSF; operational modalities between parties involved, meeting minutes, information on how much contribution received from which country, criteria of project selections, awarded ministry of government, implementation authority etc. There should be minimum exception in disclosure and full compliance to the country's RTI (Right to Information) act.

- (ii) **Four indispensable requirements should be built-in project proposal and management.** There is nothing new that as a nation we have been blamed for high level of corruption especially in international level. If we need to get more money (indeed we have the need of those international assistance especially in respect of climate adaptation), we have been arguing to include four issues as a indispensable part of each of the project proposal and management, which are; (i) corruption risk assessment, (ii) information disclosure policy in view RTI law, (iii) complain response mechanism and (iv) participation index and matrix (i.e., in all level and in all stages of project implementation, there must be a clear cut policy on who will participate for what and on which periodical basis). We feel that these will minimize the risk of corruption and facilitate a level of stakeholder participation in all level, especially in grass root.
- (iii) **A full detail of capacity building modalities toward full ownership and control should be disclosed and discussed with CSOs.** We appreciate that government has declared and World Bank has accepted the ownership of the fund lied with our government. Government should not forget that since the beginning of MDTF (multi donor trust fund) discourse which have had initiated from September 2008 London conference, it is the civil society both in national and international level continuously and consistently opposing the World Bank ownership and management of the fund. Finally it is in the beginning of this year the agreement has signed in this regard, but some of Minister Remarks made confusion that World Bank role will be limited to providing technical assistance. So, we demand disclosure of full modalities that how government will gain capacities, in which time period the WB will hand over the management, what sort of technical assistance will be provided by the bank that have to be fully disclosed so that there will be a public scrutiny in this regard. We have also concern on allocation of \$ 200,000 for capacity building, as we there are common allegation is that in the name of capacity building, most of the time foreign tours is being organized for government bureaucrats, at the end which has been producing hardly any results, we are not against any foreign trips but it has to be objectively and targeted for result orientation. We also have concern on unnecessary use of huge money for employing consultants for preparation of reports; necessity of such reports should be scrutinized and verified. We also want to know whether the technical assistance is demand driven or supply driven. All above the government should have full disclosure in this regard, and should also have consulted with CSOs (civil society organization).
- (iv) **PKSF should have full autonomy, disclosure and free from conflict of interest.** We appreciate government decision on disbursement of 10 % NGO fund through PKSF, as PKSF has some credibility from its past records. But is a micro finance whole sale lending and capacity building organization, it should be free from

MFI(micro finance institution) biasness. Moreover it is not clear that what is the division of labor between PKSf and WB, how PKSf will have full autonomy over selection, implementation and monitoring of projects. We also demand full disclosure in this regard.

- (v) **An autonomous board with democratic ownership is the ultimate answer or effective use of all climate adaptation funds.** We the CSO have been demanding autonomous for all these climate adaptation fund utilization since long. We have the examples of such a management, i.e., PKSf and IDCOL. These are the government initiated organization but fully autonomous, and those organization has proven track record of credibility so far. We have also demanded formation of such a board should be with the principles of democratic ownership. Democratic ownership means, in the management of proposed board, there should be participation of representatives from government and opposition political parties, civil society members, media personalities with track record of non partisan ship and raising voice for accountable and transparent use of development finance, climate victims and local government leaders. This is in contrary to the government ownership, i.e., in fact which is now is being in practice in respect of BCCTF, i.e., board has been composed of government ministers, secretaries and bureaucrats and only two civil society members. As it is a rules in the board that any time if government wishes the CSO representative in the board has to go. There was two level in project selection process, i.e., selection / technical committee and the board, and we have had the experience of media blast that wrong NGOs has been selected and finally minister has to cancel those, as media reported. Due to the examples of such precedence we have reasonable level of doubt that such a government ownership will hardly be able to ensure effective use of such climate adaptation fund.

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