

# Bangladesh: NDC implementation Challenges

*Dr. Md. Nazrul Islam\**

## 1. Introduction

Bangladesh submitted its NDC to the UNFCCC in September 2015 and ratified the Paris Agreement on 21 September 2016. Bangladesh's NDC recognises two important factors:

- It has an adaptation component that describes what Bangladesh has already done on adaptation and what the priorities are going forward.
- It commits to reduce GHG emissions in the **power, industry and transport** sectors by 5% below 'business-as-usual' GHG emissions by 2030, or by 15% below 'business-as-usual' GHG emissions by 2030 if sufficient and appropriate support is received from developed countries.

## 2. Policy documents for implementation of NDC

Bangladesh has put in place a draft roadmap for NDC implementation in March 2017. It has identified the priorities, areas of intervention, institutional framework, risks and challenges for the process. NDC Sectoral Action Plans to be driven by Sectoral Working Groups, have also been produced for the power, industry and transport sectors for describing actions to deliver the GHG emissions reductions required to meet the overall NDC GHG reduction targets.

The whole process will be set within the strategic framework of the Bangladesh Climate Change Strategy and Action Plan (BCCSAP), which is expected to take at least one more year for review ( e.g. of vulnerability, risk assessment and prioritisation of projects etc) and modification.

The Roadmap will also be aligned with the Seventh Five Year Plan (2016-2020) which included climate change management and resilience for green growth. The Ministry of Environment and Forests will work closely with the Planning Commission to ensure that climate considerations are integrated throughout the relevant 7FYP action plans, such as transport and communication, agriculture, power and energy and industrial and economic services.

In order to attain synergy in the actual implementation phase, the Roadmap will also be integrated and aligned with two other documents, the NAP and NAMA both of which are yet to be finalised. A roadmap for developing the NAP was prepared in 2015, institutional arrangements have been set up for the NAP process, through the formulation of an Inter-Ministerial Steering Committee, a Technical Advisory Committee and a core NAP formulation team. Further works include an exercise to model future climate scenarios, updates of projections of key parameters and comprehensive vulnerability analysis of key sectors.

Bangladesh is also working on NAMAs on innovative energy optimisation in the steel sector (supported by the Danish Government) on GHG reductions from waste and on the railway sector (supported by the ADB). It is also working on five further NAMA concepts: **Solar**

**Renewable Energy, Waste Heat Recovery, Efficient Lighting, Waste Management to lower GHG emission, Fertilizer.** Initial analysis has been carried out on potentials, risks and barriers, timeframe for implementation, metrics of success, the estimated emissions reductions etc.

A coordinated and efficient implementation of these policy documents would be a big challenge for the attainment of the NDC goals.

### **3. Building institutional capacity**

The NDC implementation process would require a well-defined institutional arrangement and a range of capacities and skills. For now, Both the **NDC-NAP** processes are planned to have a single Advisory Committee headed by the MoEF Secretary, and a single Coordination Committee headed by the Additional Secretary from MoEF, backed by separate implementation analytical support for the smooth functioning of these committees. Higher level leadership and defined authority and power of the committees might be needed in future for effective and smooth measures to ensure expected progress in the implementation.

A separate secretariat also needs to be established to look after the day to day functions of the NDC and NAP implementation activities This secretariat of the committee might be based within the Ministry of Environment and Forests (MoEF).

### **4. Capacity challenges**

Capacity building (*Immediate, midterm, and long*)-is a fundamental precondition for developing countries to implement their NDC, NAP and other emissions-reduction efforts and building resilience.

Bangladesh initiated its activity towards capacity building of the government officials by establishing a Climate Change Cell (CCC) in 2004, under the DoE, with support from the UNDP. The Asian Development Bank (ADB) under its technical assistance drafted capacity development action plan on climate change and identified priority areas, sectors, and some cross-cutting areas where capacity building is immediately required. FAO has conducted situation analysis and capacity needs assessment of the Ministry of Environment and Forests (MoEF) and its agencies. The assessment focused on building capacity of MoEF and its agency in the areas of climate change coordination, ICT, knowledge management, etc. The implementation of these assessment findings would require financial, technological and technical support from available sources of the UNFCCC regime. Some of the specific capacity needs are elaborated below.

#### **4.1. Data management for mitigation activities**

The success of planning and assessing mitigation implementation depends on establishing an efficient data management system. The challenges for Bangladesh include:

1. Data sets: Bangladesh has to face a huge challenge in terms of lack of data, data not statistically robust and reliance on extrapolation and interpolation.

2: Data archiving: Challenges include lack of consistent archiving of data on mitigation, e.g. from NDC, National Communications, other reports etc.

3. Modelling capacity: Lack of capacity is evident on key modelling approaches, such as Marginal Abatement Cost Curves, the LEAP model etc.

MoEF would need international support for a comprehensive data review across all sectors, to identify the gaps and weaknesses and to help develop more robust data (e.g. through primary data collection surveys), to initiate a system of electronic data archiving to keep all mitigation-related data in one place and to build understanding of key mitigation modelling techniques and methodologies

#### **4.2. Analysis for policy support**

It will be important to have access to robust analysis, both for decisions to be taken on NDC and NAP implementation and for good quality and effective MRV. The Roadmap suggests a pool of analytical resource to be drawn up across a number of Ministries to provide regular and ad-hoc requests for analysis and data, both to the NDC-NAP Coordination Committee and to Sectoral Working Groups. This might not be adequate enough to address the needs for robust analysis due to its Ad Hoc nature and lack of expertise and potential conflict of interests between different Ministries.

An important next step for the Government will be to start designing specific policies to deliver the mitigation potential outlined by the analysis mentioned above. This will require knowledge of policy approaches such as feed-in tariffs, efficiency standards and green procurement etc.

A specific area for further capacity development in this respect is around the development of impact assessments. An impact assessment process needs to be introduced to garner standard information on and assess expected impacts of any new policy, including on GHG reductions, before being signed off by Ministers.

#### **4.3. Technical capacity**

Bangladesh needs to be able to capture the benefits and opportunities of encouraging economic growth from NDC implementation. However there is limited local manufacturing facilities and capacity, as well as limited technical capacity to design, install, operate, manage and maintain renewable energy and energy efficiency services. Technical assistance support could be sought for the private sector to build the required capacities.

### **5. Resourcing the NDC Implementation**

Implementing the NDC will require considerable resources, in particular in the form of climate finance, technological support and capacity building. The NDC and the NDC

implementation sectoral action plans provide some illustrative costs of individual activities and measures. But as recognised in the NDC, more work is needed to accurately assess the scale and scope of foreign investment needs for mitigation activities. This will involve a comprehensive desk review of existing cost data, both from Bangladesh but also from international case studies, as well as gathering of new data on costs to help improve the evidence base in Bangladesh.

For NAMA financing from abroad as well, Bangladesh needs to be able to offer sufficiently detailed data on the expected impacts and how these will be tracked. Hence the importance of sound MRV approaches for each NAMA, including a forecast of the likely GHG emissions reductions and other non-GHG impacts against which progress can be measured.

As regards national funding, it is available mostly for adaptation activities. Bangladesh Climate Change Trust Fund is allocated a total of USD 340 million from the national budget. 66% of the Fund's projects are aimed at enhancing Bangladesh's adaptation capacity, comprising a large number of small-scale projects across the country. So far 139 government projects and 63 non-government projects have been approved, to a total of USD190.78 million. As a recent TIB study has pointed out, Bangladesh needs to establish an accountable and transparent system for effective utilisation of this fund.

Overall, a well estimated, realistic and progressive financial plan is required for proper prioritisation of cost-effective adaptation and mitigation options, flow of time-bound, need-based public and private grants from international and national sources. There is a need to enhance capacity in terms of financial management, audit and evaluation process of domestic systems with international standards.

## **6. Measurement, reporting and verification (MRV) of climate finance**

Crucial to successful leverage of climate finance for NDC implementation will be a clear and robust mechanism for ensuring transparency and accountability. Bangladesh needs to work towards having a comprehensive MRV system to track and report on progress towards the NDC's targets, the implementation and impacts of mitigation and adaptation actions, and the finance used to support these actions.

Transparency International Bangladesh's (TIB) study on already approved and financed climate funded projects has already identified several governance challenges. These include political consideration in climate project approval, poor disclosure of information, weak accountability mechanism, absence of meaningful participation of the community, and lack of the citizens' friendly grievance redress.

Lesson must be learnt from the current experience. These challenges must be addressed from the beginning of the projects, programs activities identified for implementation of the NDC.

## **7. GHG projections**

Bangladesh is currently in the process of compiling a national GHG inventory covering the years 2006-2012. For the first time Department of Environment assigned their staff to work with local consultants, allowing for capacity to be built within the Department.

There is no requirement for Bangladesh to produce regular GHG projections under current UNFCCC reporting requirement as well as under the Paris Agreement. But the Government might consider options to scope out how such a system might work and the potential resource and capacity building implications. A sensible staggered approach might be for the projections to be produced through technical assistance projects in the first instance, with a view to building capacity within government for developing the projections in due course.

\*(This paper draws heavily and sometimes reflects directly from the existing document in particular from the NDC Implementation Roadmap produced by the Bangladesh Government)