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The Independent Review of Bangladesh's Development (IRBD), Centre for Policy Dialogue's flagship programme, is a comprehensive assessment of the country's economic development agenda prepared by a group of Bangladeshi experts. Launched in 1995, it is Bangladesh's first civil society initiative to analyse the trends in the economy linking economic policies to development efforts. IRBD attempts to provide voice to marginalised stakeholders.



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Climate Budget of Bangladesh *Balancing Needs and Building Resilience*

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Key Findings

1. The share of climate-relevant budget allocation for 25 ministries and divisions in terms of GDP is 0.75 per cent in FY2025. The total climate-relevant budget fell to 10.09 per cent of the total budget in FY2025 from 10.81 per cent of the revised budget in FY2024.
2. The overall climate budget utilisation has fluctuated during FY2016-FY2023.
3. MoEFCC's budget is 0.038 per cent of GDP in FY2025, though 8FYP targeted increasing the ministry's allocation to 0.10 per cent of GDP by FY2025 and 0.5 per cent of GDP by FY2041.
4. Bangladesh faces a budgetary financing gap of BDT 5,792.34 billion for SDG 13.

Key Recommendations

1. The share of the budget allocated to climate action should be increased to ensure a comprehensive response to climate change.
2. The effectiveness of the climate budget should be enhanced by efficiently utilising both development and non-development funds.
3. To achieve the ambitious clean energy goals, allocation in the ADP should be increased.
4. The share of the SSNP budget dedicated to climate-focused programmes and climate-vulnerable people should be enhanced.

1. Introduction

Bangladesh stands at the forefront of the global fight against climate change, facing immense challenges due to its geographical vulnerability. Bangladesh's climate-related disasters wreak havoc on the economy and society, impacting livelihoods in far-reaching ways. The direct impact includes economic losses such as infrastructural damage, disrupted agricultural activities, climate-induced migration and the slowdown of economic growth (Hossain et al., 2022; Thurlow et al., 2012; Roy & Haider, 2018; Hossain et al., 2019). Indirect impacts of climate-related disasters are evident across various social spheres. These include exacerbating gender inequalities, as women and girls are disproportionately affected; reducing educational hours due to climate-related disruptions; and increasing the incidence of child marriage, as families pursue economic stability amidst environmental uncertainties (Eastin, 2018; Reggers, 2019; Rainard et al., 2023).

Since the 1900s, tropical cyclones alone have been responsible for a staggering 90 per cent of fatalities due to natural disasters in the country, with the economic losses piling up to USD 8.963 billion (ADB, 2015) (see annex Table A1). The World Bank estimates that Bangladesh loses an average of USD 1 billion annually due to cyclones alone (World Bank, 2024). Further studies paint a similar picture. Eckstein et al. (2021) found that extreme weather events cost Bangladesh USD 3.72 billion between 2000 and 2019. In 2020 alone, the damage reached a staggering USD 11.3 billion (World Meteorological Organisation, 2021). With climate change predicted to worsen these extreme weather events, the future looks bleak for Bangladesh. The Intergovernmental Panel on Climate Change (IPCC) warns of a potential rise in the frequency and intensity of cyclones, leading to even greater loss of life and livelihoods in the coming years (IPCC, 2021).

Bangladesh is actively pursuing climate mitigation strategies. In 2015, Bangladesh submitted its first Intended Nationally Determined Contribution (INDC) to the United Nations Framework Convention on Climate Change (UNFCCC), which was updated in 2021. As per the updated NDC, the country is committed to reducing greenhouse gas (GHG) emissions from five sectors: energy, industrial processes and product use (IPPU), agriculture, forestry and other land use (AFOLU) and waste. The country has also targeted increasing renewable energy use, particularly solar power and expanding forest cover. The government is also investing in climate-smart agriculture to reduce emissions from farming. These national efforts and international support aim to reduce GHG emissions and create a more sustainable future for Bangladesh.

Bangladesh will need substantial financing and technical assistance to tackle climate-related challenges. For instance, Bangladesh will need USD 230 billion to implement the National Adaptation Plan (NAP) from 2023 to 2050, and climate resilience will require a sevenfold increase in current spending, totalling USD 8.5 billion annually, with USD 6.0 billion from external sources or international climate funds and development partners (MoEFCC, 2022). Besides, implementing key mitigation measures stated in the updated NDC will require USD 32.26 billion in unconditional scenarios and USD 143.73 billion in conditional scenarios from 2021 to 2030 (MoEFCC, 2021). GoB's efforts to balance immediate development needs with long-term climate resilience through budgetary measures are crucial in such cases.

Despite a noted increase in the overall budget for climate-relevant allocations, the share of this budget as a percentage of GDP has slightly declined and raises concerns about the adequacy of current funding levels. Utilisation rates of the climate budget have shown variability, which reflects the need for more consistent and efficient expenditure practices. Moreover, the budget for the Ministry of Environment, Forest and Climate Change (MoEFCC) remains significantly below the targets set by the Eighth Five Year Plan (8FYP).

This policy brief highlights the critical areas where Bangladesh's climate budgeting process needs to be strengthened. It identifies the gaps and fluctuations in funding and utilisation and suggests strategic measures to ensure that the allocated resources effectively support the nation's climate resilience and sustainable development goals. The recommendations emphasise the importance of integrating provisions for loss and damage, improving fund utilisation, prioritising long-term adaptation solutions, and enhancing capacity development for resource mobilisation. Additionally, leveraging private-sector financing is highlighted as a pivotal step in addressing climate change comprehensively.

This document serves as a roadmap for policymakers, offering insights and practical steps to enhance Bangladesh's climate budgeting process and ultimately ensure a more resilient and sustainable future.

2. Climate Fiscal Framework and Climate Budget in Bangladesh

Recognising its vulnerability to the adverse impacts of climate change, Bangladesh understands the necessity of integrating climate considerations into its financial planning processes. In this regard, the Climate Fiscal Framework (CFF) and climate budget are important in effectively addressing

climate change within the country's fiscal policies and budgetary allocations. The CFF established an overarching strategy for aligning fiscal decisions with climate action, ensuring that economic priorities are intertwined with environmental resilience. Complementing this, the climate budget provides a detailed mechanism for tracking and allocating funds specifically for climate-related projects and initiatives.

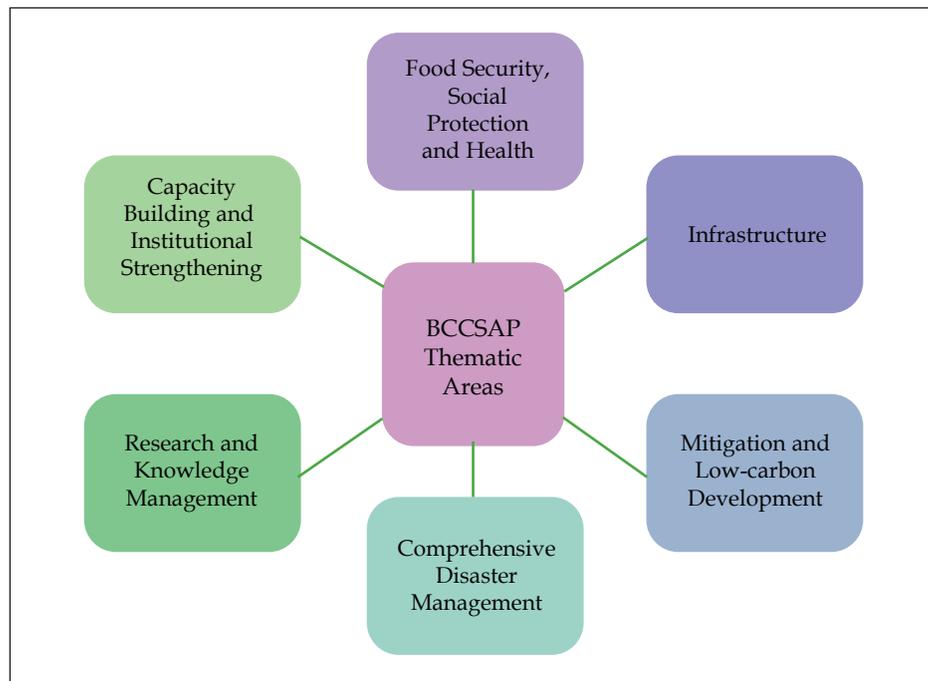
2.1 Climate Fiscal Framework in Bangladesh

Bangladesh's CFF is an integrated approach to ensure climate change considerations are embedded in national fiscal and budgetary processes. In 2014, the Government of Bangladesh (GoB) formulated the CFF for the first time, based on the recommendations from the Climate Public Expenditure and Institutional Review (CPEIR) (Ministry of Finance, 2014). The framework aims to estimate costs and prioritise climate actions, access international and national sources of climate finance, deliver these finances effectively, track climate expenditures, and ensure accountability in climate finance and expenditure. The key objective of CFF is to mainstream climate change into the national budgetary process and align budget allocations with climate action priorities. Besides, CFF outlines the process for identifying, categorising, and tracking climate-related expenditures across various sectors.

2.2 Climate Budget in Bangladesh

The first climate-relevant budget in Bangladesh was published in FY2018, considering six ministries and divisions. Currently, 25 ministries and divisions are considered for climate-relevant allocation. The Budget Report for FY2025 is the seventh Annual Climate Budget Report. Considering six thematic areas (Figure 1) mentioned in the Bangladesh Climate Change Strategy and Action Plan (BCCSAP), a total of BDT 42,206.89 crore was proposed for allocation. This section contains a brief overview of the proposed climate-relevant allocation for 25 ministries and divisions in FY2025.

Figure 1: Six Thematic Areas of Bangladesh Climate Change Strategy and Action Plan (BCCSAP)



Source: Authors' illustration based on MoEF (2009).

Allocation and Utilisation of Climate Budget

Bangladesh's commitment to global climate action is evident in its cumulative budget allocations for 25 key ministries and divisions. In FY2025, the total budget allocation to these ministries is BDT 4,18,160.64 crore, with BDT 42,206.89 crore (10.09 per cent of the total budget allocated for 25 ministries and divisions) designated for climate-related activities. However, a slight decline was observed in the proportion of climate-relevant funds compared to the revised budget of FY2024 (10.81 per cent).

Improving Development Expenditure Patterns: Budget utilisation has shown a promising positive trend. Climate-relevant development expenditure has risen steadily to 67 per cent of the total climate budget expenditure in FY2025, compared to 40 per cent in FY2016. This indicates a growing focus on increasing development funds for long-term development strategies.

Climate Relevant Budget Utilisation Rate Fluctuations: While the trend in development expenditure is encouraging, the overall climate budget utilisation rate has fluctuated over the years. The highest 94 per cent of total budget utilisation was observed in FY2016, followed by a decrease in subsequent years except for FY2019, when it was 94 per cent

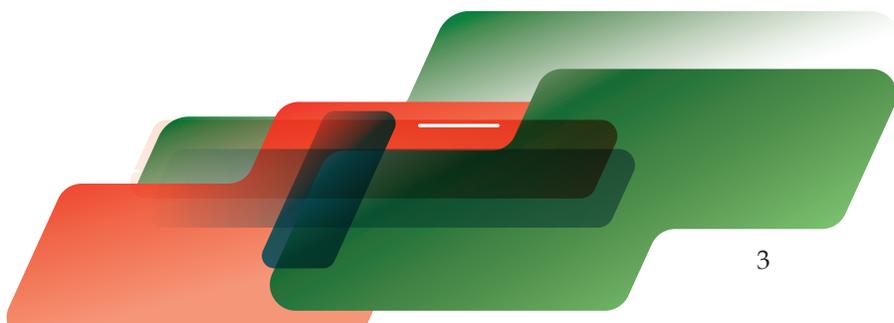
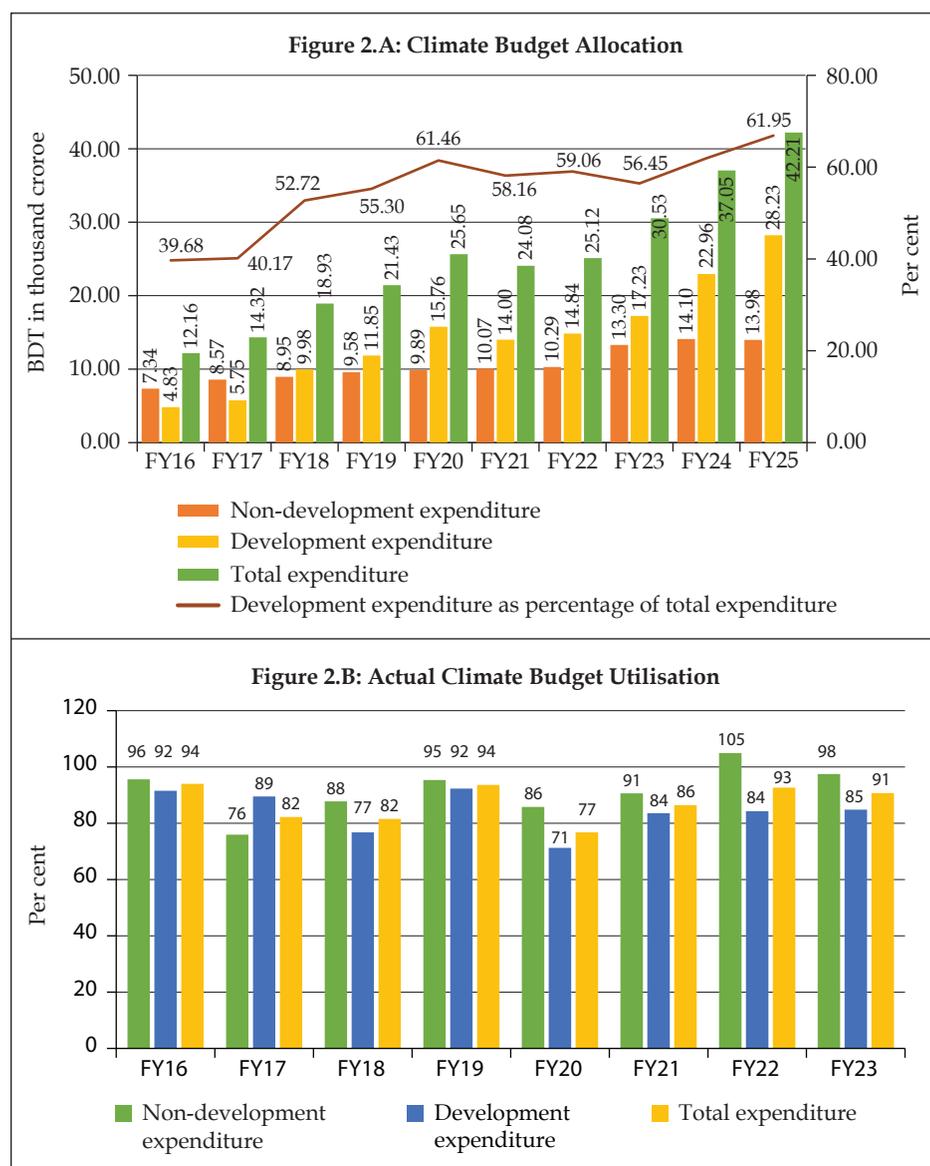


Figure 2: Climate Budget Allocation and Utilisation over the Years



Source: Authors' illustration based on data from Ministry of Finance (2024a).

(Figure 2). Analysing the data further reveals that the expenditure on development projects consistently lags behind non-development expenditure in most years.

These trends highlight both progress and areas for improvement in Bangladesh's climate budget. While increasing the overall budget allocation is commendable, maintaining or increasing the proportion dedicated to climate action is crucial. Additionally, ensuring consistent and efficient utilisation of development funds will be essential for

maximising the impact of the climate budget. By addressing these areas, Bangladesh can solidify its role in climate adaptation by effectively translating financial resources into tangible solutions.

Budgetary Allocation for The Ministry of Environment, Forest and Climate Change (MoEFCC)

Budget allocation for the Ministry of Environment, Forest and Climate Change (MoEFCC) has seen a modest increase from 0.23 per cent of the total national budget in FY2024 to 0.27 per cent in FY2025 (Figure 3). While this represents a positive step, it falls short of the ambitious targets outlined in the Eighth Five-Year Plan (8FYP). The 8FYP envisioned a significant increase in MoEFCC's budget, aiming for 0.10 per cent of GDP by 2025 (GED, 2020), whereas the actual allocation was only 0.038 per cent of GDP in FY2025.

This shortfall in budgetary allocation for the MoEFCC is a cause for concern. The MoEFCC shoulders a critical responsibility in safeguarding Bangladesh's natural resources. These resources are vital for the nation's ecological health and underpin key economic sectors like agriculture and industry. Additionally, the MoEFCC plays a central role in mitigating the impacts of climate change, which is a pressing issue for Bangladesh due to its geographical vulnerabilities. By strengthening its environmental protection and climate adaptation initiatives, the MoEFCC can contribute significantly to achieving sustainable development. Investing in the MoEFCC is an investment for sustainable development which fosters economic growth while prioritising environmental conservation. The government can empower the MoEFCC by increasing resource allocation to effectively protect the environment, mitigate climate risks, and pave the way for a more sustainable and resilient Bangladesh.

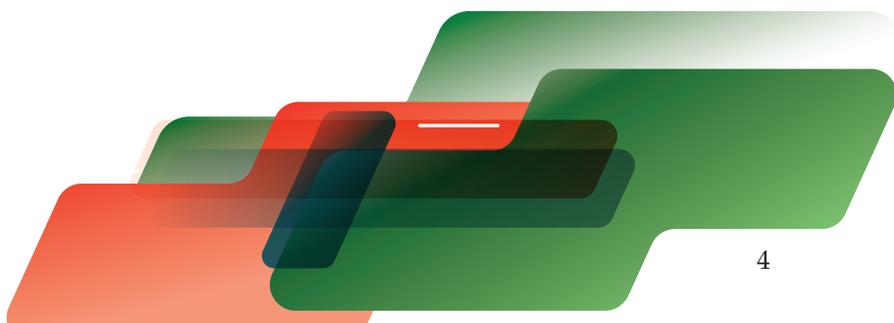
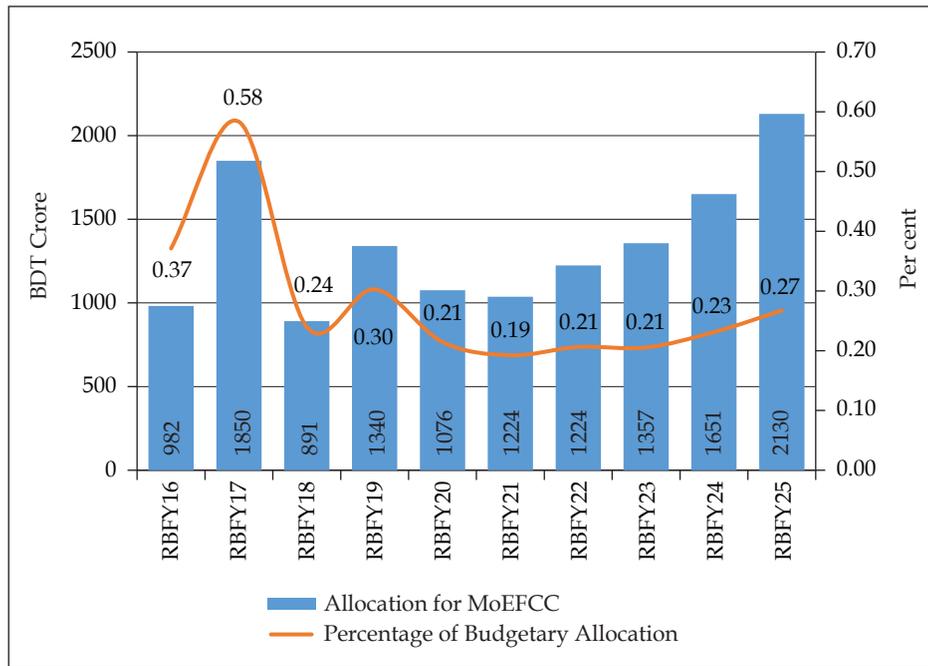


Figure 3: Budget Allocation for the MoEFCC



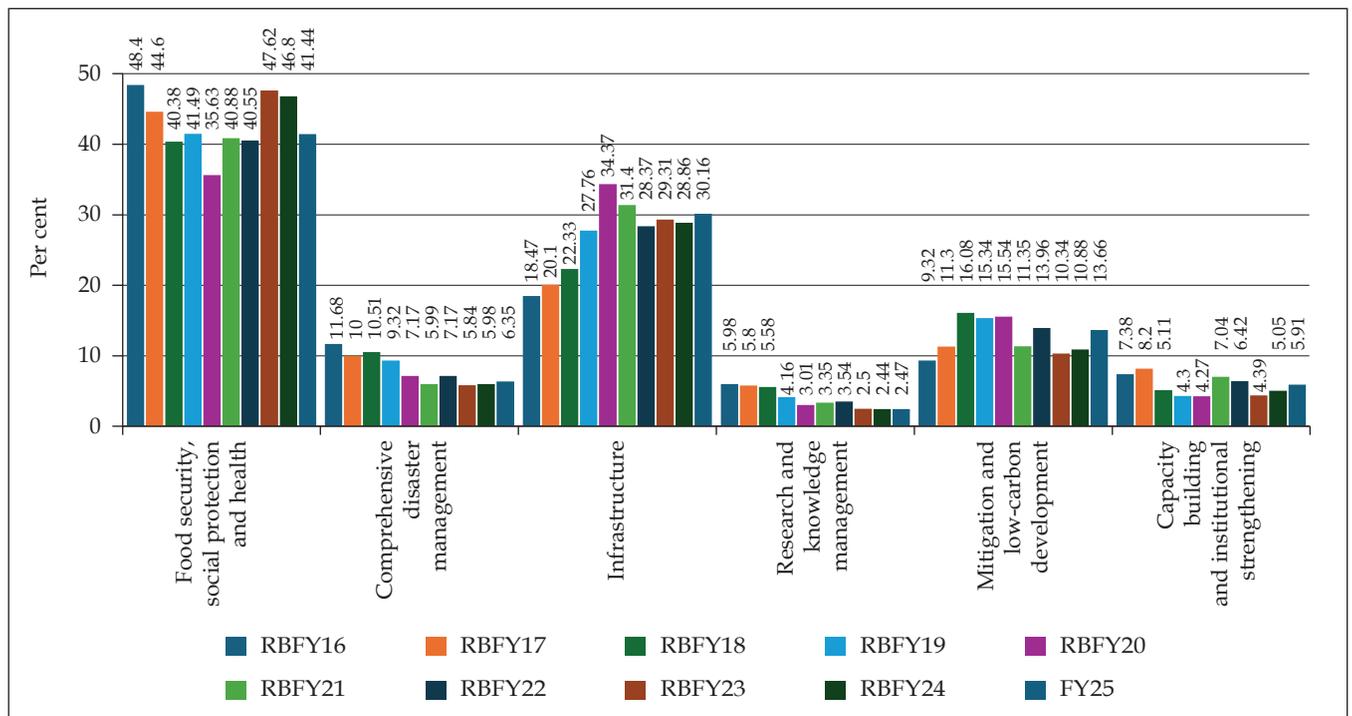
Source: Authors' illustration based on data from Ministry of Finance (2024a).

Budgetary Priorities under BCCSAP Thematic Areas

While Bangladesh's climate budget represents a significant step towards addressing the impact of climate change, a closer look reveals an interesting pattern in funding allocation across different thematic areas of BCCSAP.

Food Security Takes Centre Stage: The analysis highlights the clear dominance of the food security, social protection, and health themes in receiving the largest share of the climate budget. In FY2025, a staggering 41.44 per cent of the budget was directed towards this crucial area, reflecting the government's primary concern for safeguarding its citizens from the immediate impacts of climate change on food security and health.

Figure 4: BCCSAP Thematic Areas in Budget for 25 Ministries/Divisions (as a share of Revised Climate Change Budget)



Source: Authors' illustration based on data from Ministry of Finance (2024a).

Research Lags Behind: In stark contrast, research and knowledge management received the lowest allocation, a mere 2.47 per cent, in FY2025. This raises concerns about long-term planning and developing innovative solutions for climate adaptation.

Shifting Priorities: While not among the top recipients, the allocation for mitigation and low-carbon development has seen a positive trend, which indicates a growing understanding of the importance of addressing the root causes of climate change. In FY2025, 13.66 per cent of the total climate-relevant budget was allocated for mitigation and low-carbon development.

A Cause for Concern for Disaster Management: The decreasing allocation for comprehensive disaster management from 7.17 per cent in RBFY20 to 6.35 per cent in FY2025 is a cause for concern. Given Bangladesh's vulnerability to climate disasters, it is crucial to prioritise robust disaster management strategies. Figure 4 visually represents these budgetary trends across various thematic areas within the BCCSAP.

A Balanced Approach Needed: These findings suggest a need for a more balanced approach to climate budget allocation. While ensuring immediate food security and social well-being is essential, neglecting research and disaster preparedness could hamper long-term resilience.

Moving forward, Bangladesh might consider strategically increasing research and knowledge management allocations to develop innovative solutions and stabilise or increase the allocation for comprehensive disaster management. This will help build a more robust defence against climate-induced disasters. This multi-pronged approach will ensure that Bangladesh not only survives the immediate effects of climate change but also thrives in a future marked by a changing environment.

Bangladesh's Clean Energy Ambitions: A Budgetary Tightrope Walk

Bangladesh has set a visionary target of generating 40 per cent of its electricity from clean energy sources by 2041 (MoEFCC, 2021). Bangladesh's renewable energy efforts have focused on solar power, with initiatives like installing solar home systems and mini-grids in remote areas. Additionally, existing policies emphasise incentivising investments in wind, biomass, and hydropower projects, diversifying the nation's clean energy portfolio (Khatun et al., 2022).

However, achieving this ambitious goal hinges on crucial factors such as investment and financing. While the government has made strides in promoting renewable energy, particularly solar power, in rural areas, the allocation

Table 1: ADP Allocation in Renewable Energy and Fossil Fuel-Based Energy

Fiscal Year	Allocation in Renewable Energy (per cent)	Allocation in Fossil Fuel (per cent)
FY2016	4.08	95.92
FY2017	5.22	94.78
FY2018	7.41	92.59
FY2019	3.34	96.66
FY2020	8.88	91.12
FY2021	1.42	98.58
FY2022	1.55	98.45
FY2023	2.91	97.09
FY2024	3.08	96.92
FY2025	4.26	95.74

Source: Authors' calculation based on Ministry of Planning (2024).

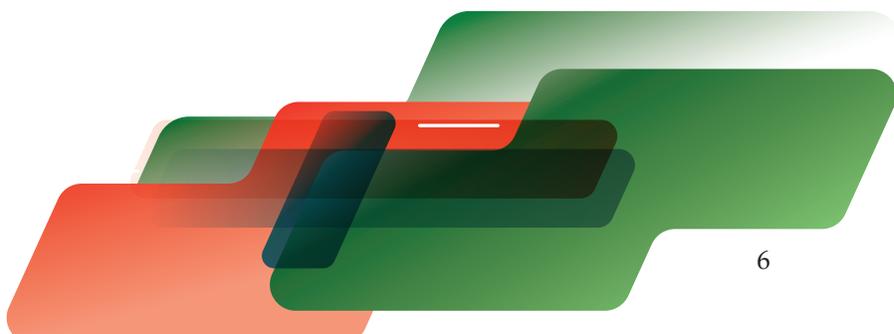
of funds in the Annual Development Plan (ADP) reveals some cause for concern.

Allocation for Renewable Energy in ADP: The allocation of renewable energy in the ADP remains a cause for concern. In FY2025, the sector received a mere 4.26 per cent of the total budget, while 96 per cent went towards fossil fuel-based electricity generation (Table 1). This stark imbalance poses a significant challenge to achieving the country's clean energy goals.

Several key measures can be considered to bridge this budgetary gap and unlock the potential of renewable energy. A significant increase in the ADP allocation for renewable energy is paramount. This will provide the necessary resources for developing and implementing large-scale renewable energy projects. Fostering public-private partnerships can increase private-sector investment in renewable energy infrastructure. This can leverage private expertise and resources to accelerate the clean energy transition. Innovative financing mechanisms, such as green bonds and blended finance, can provide alternative funding sources for renewable energy projects.

Climate Focused Social Safety Net Programmes (SSNPs)

In FY2025, the government allocated BDT 17,992.11 crore specifically for climate-focused social safety net programmes (SSNP) (Table 2). This was a noteworthy effort to address the immediate social impacts of climate change. However, this allocation was only 13.23 per cent of the total SSNP budget, highlighting the need for further investment.



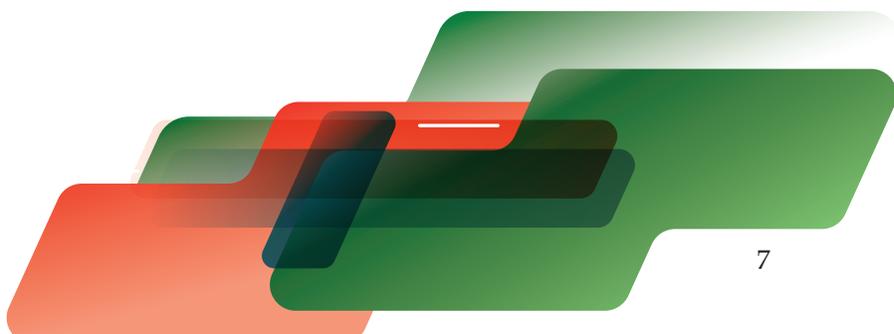
Prioritising Immediate Needs: The largest share of the climate-focused SSNP allocation (BDT 8,000 crore or 44.47 per cent) went towards the Ministry of Food's programme to mitigate economic and natural disaster impacts (Table 2). This prioritises immediate relief measures for communities affected by climate-induced events like floods, cyclones, and droughts.

The National Adaptation Plan (NAP) and the Mujib Climate Prosperity Plan (MCP) recognise the growing challenge of climate-induced migration (MoEFCC, 2021, 2022). People displaced due to rising sea levels, salinity in the soil and water, and extreme weather events require long-term support. By strengthening its climate-focused SSNPs, Bangladesh can ensure that its most vulnerable citizens have

Table 2: SSNP Allocations for the Direct Climate Vulnerable People in FY2024

Programme Name	Implementing Agency	Allocation in RBFY2024 (BDT Crore)	Allocation in FY2025 (BDT Crore)
Enhancing Adaptive Capacities of Coastal Communities, especially Women, to Cope with Climate Change-Induced Salinity	MoSW	47.9	61.2
Vulnerable Group Feeding Programme	MoDMR	1,101.93	1,184.02
Relief Operation-General	MoDMR	2,250.96	2,390.62
Food for Work (FFW)	MoDMR	950.01	1,024.01
Char Development and Settlement Project (Social Security Part)	MoWR	191.82	33.01
Employment Generation Programme for the Poorest (EGPP)	MoDMR	1,500.00	1,504.50
Employment Generation Programme for the Poorest Plus (EGPP+)	MoDMR	280.00	2,64.47
Relief Activities	MoDMR	66.29	80.12
Relief Operation – Rehabilitation	MoDMR	65.00	70.10
Relief Operation – Rehabilitation (House Grant)	MoDMR	27.50	28.00
Construction of Flood Shelter in the Flood Affected and River Prone Area	MoDMR	180.00	400.00
The Disaster Risk Management Enhancement Project	MoDMR	130.00	111.53
Bangladesh Environmental Sustainability and Transformation (BEST) Project	MoEFCC	539.60	793.11
Special Grant for the Development of Char, Haor and Backward Areas	Finance Division	50.00	50.00
Fund for Disaster Affected Marginal Farmers and Poultry Farm Owners	Ministry of Food	50.00	50.00
Fund for Mitigating Impacts of Economic and Natural Disaster	Ministry of Food	1,000.00	8,000.00
Expansion of Irrigation in Greater Rangpur District	Ministry of Food	96.53	60.51
Establishment of Multipurpose Disaster Shelter Centre	LGD	244.40	475.15
Water Supply Project in Coastal Area Through Rainwater Harvesting System	LGD	349.00	216.53
Climate Resilient Sustainable Water Supply, Sanitation and Hygiene Project in Bangladesh	LGD	3.00	38.33
Flood Reconstruction Emergency Assistance Project for Water Supply and Sanitation	LGD	17.60	70.91
Disaster Risk Management Enhancement Project (Social Security Part)	LGD	46.75	46.26
Resilient Infrastructure for Adaptation and Vulnerability Reduction Project (RIVER)	LGD	98.62	393.78
Coastal Towns Climate Resilience Project	LGD	77.88	450.00
Risk Management Fund on Climate Change	MoEFCC	100.00	100.00
Sustainable Forest and Livelihoods (SUFAL) Project	MoEFCC	511.29	95.95
Total		9,976.08	17,992.11

Source: Authors' compilation based on Ministry of Finance (2024a).



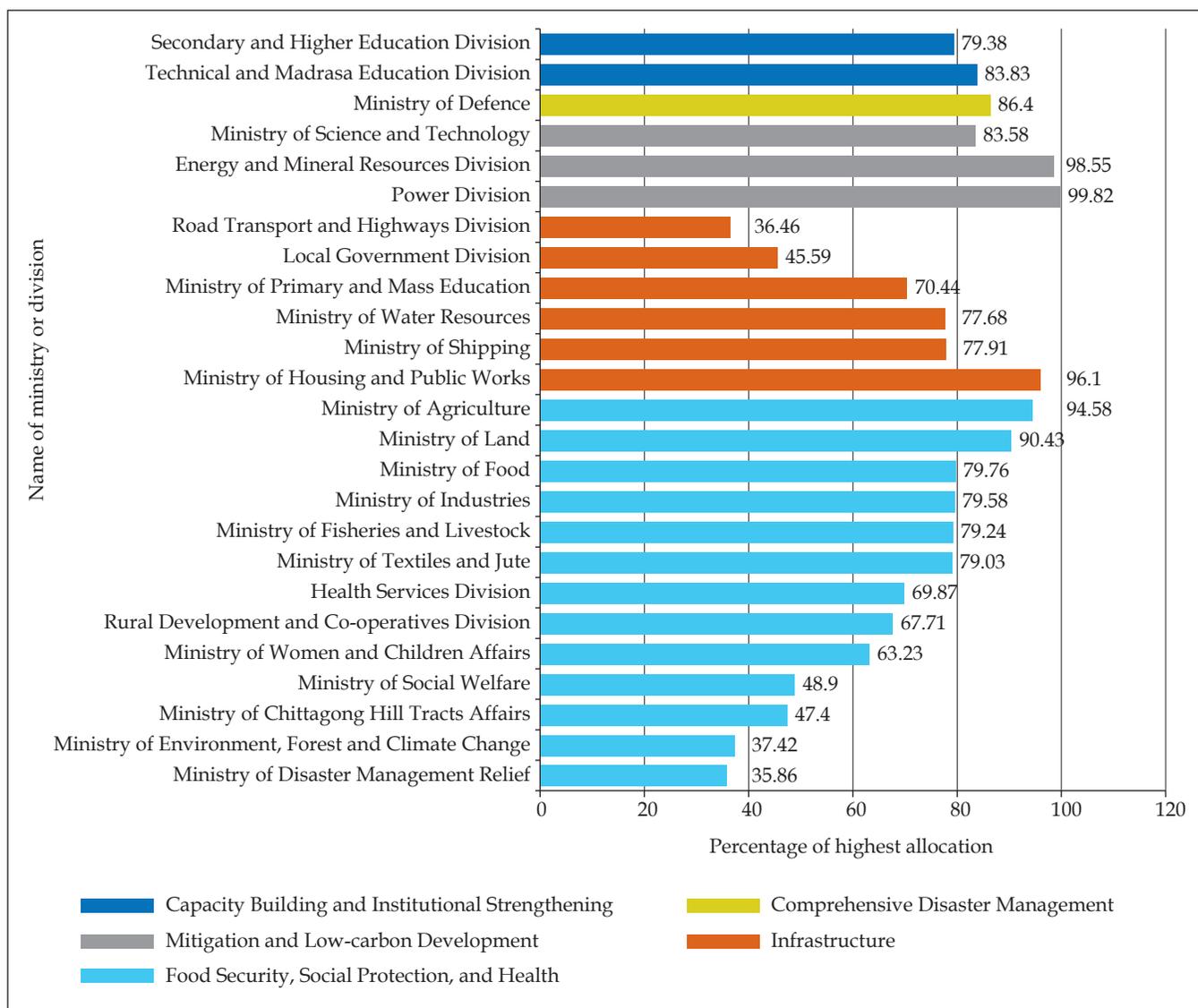
the resources and support they need to navigate the challenges of a changing climate. This investment in social safety nets goes beyond immediate relief, fostering long-term resilience and empowering communities to build a more secure future. A larger share of the overall SSNP budget of climate-focused programmes can provide vulnerable populations with a more robust safety net. Developing targeted programmes that address the specific needs of those displaced by climate change, such as skills development and livelihood support, can foster long-term resilience. Investing in robust early warning systems can help communities prepare for and mitigate the impact of climate disasters, minimising the need for reactive support measures.

Climate Budget Allocation: Priority BCCSAP Thematic Areas for 25 Ministries/Divisions

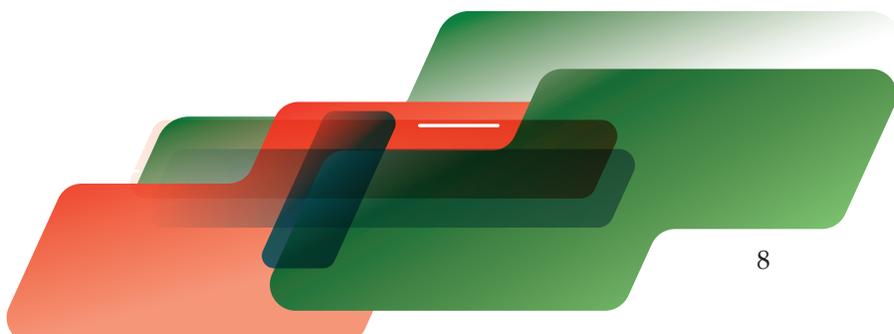
While ensuring food security and social well-being is crucial, a closer look at Bangladesh's climate budget allocations reveals interesting trends for priority BCCSAP thematic areas across different ministries and divisions.

Dominant Focus on Food Security: Food security, social protection, and health are priorities for the 13 relevant ministries and divisions. The Ministry of Agriculture and the Ministry of Land lead the pack in this category, with allocations exceeding 90 per cent of their respective budgets

Figure 5: Priority Thematic Areas of 25 Ministries and Divisions



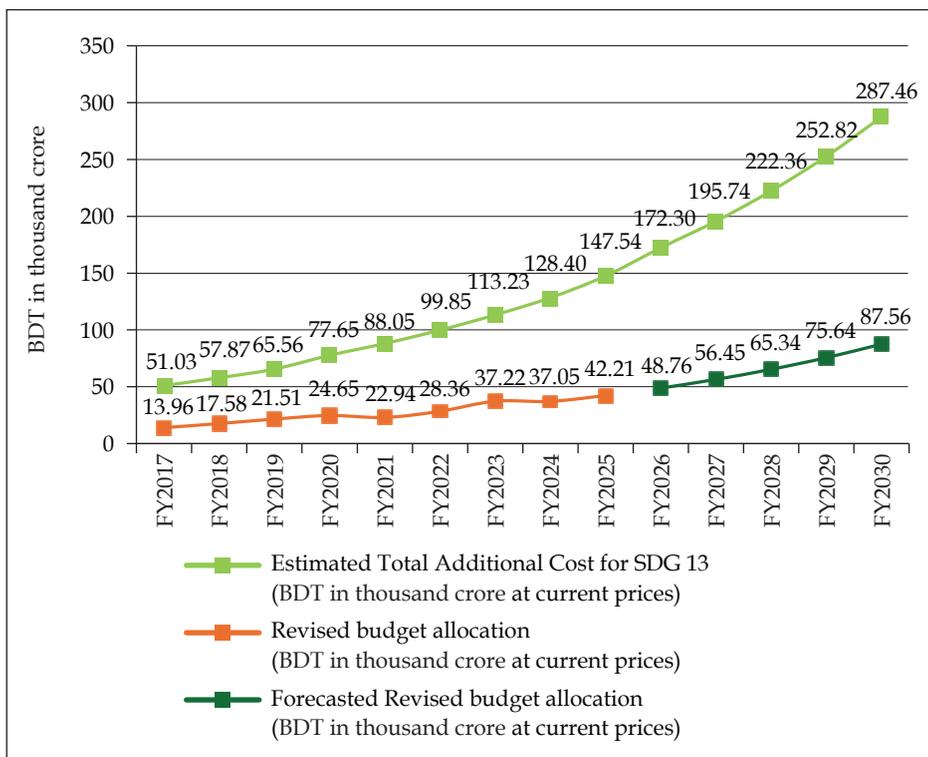
Source: Authors' illustration based on data from the Ministry of Finance (MOF, 2024a).



directed towards the theme. Notably, the Ministry of Industries (MoI) programme for developing climate-resilient cropping systems accounts for over 61 per cent of its climate budget allocation in FY2025 (Figure 5).

Balancing Needs with Environmental Impact: While the MoI's focus on climate-resilient agriculture is commendable, a significant portion of its budget is allocated towards constructing new fertiliser warehouses. This raises concerns, as chemical fertilisers can harm the environment and human health, potentially contradicting the ministry's other environmental initiatives like waste treatment and greenhouse gas reduction. The MoI, despite its crucial role in climate mitigation, receives a meagre 0.53 per cent of the total climate budget allocation for the mitigation and low-carbon development theme of BCCSAP. This indicates a potential imbalance between immediate needs and long-term environmental sustainability. The Road, Transport, and Highway Division's (RTHDs) role in building environmentally friendly infrastructure is vital. Its allocation for climate-related activities has seen a positive increase. However, the budget dedicated to mitigation and low-carbon development themes within the RTHD has witnessed a concerning decline in recent years, dropping from over 80 per cent in FY2022 to a mere 35.35 per cent in FY2025.

Figure 6: Budgetary Gap in Achieving SDG13 up to FY2030



Source: Authors' calculations based on data from the Ministry of Planning and Ministry of Finance.

The above trends call for a more balanced approach to climate budget allocation. While addressing immediate food security concerns is essential, neglecting investments in mitigation and low-carbon development could lead to long-term environmental problems.

2.3 How Adequate is the Budgetary Allocation Considering Financing Requirement for SDG13?

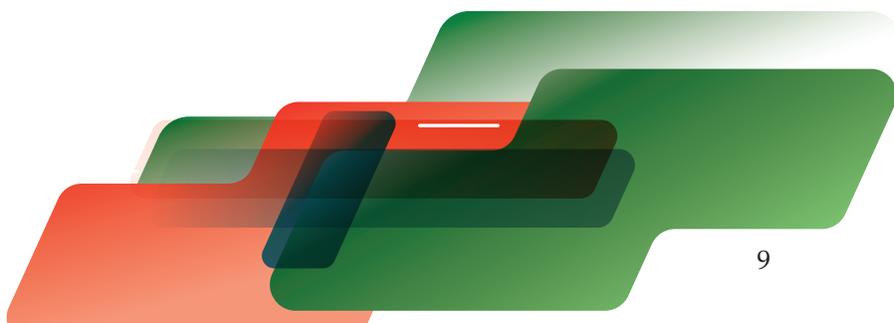
Under the Ministry of Planning, the General Economic Division (GED) estimated the funding gap for achieving Sustainable Development Goal 13 (SDG 13) in Bangladesh. The analysis compared climate-related budget allocations from FY2017 to FY2025 with the estimated costs of achieving SDG 13 by the same period. It found a substantial shortfall and suggests that even if budget allocations continue to grow at the same rate till FY2030, there will likely be a significant funding gap in the future.

Bangladesh faces a substantial funding gap in achieving SDG 13. While climate-related budgets have seen an average annual increase of 15.53 per cent since FY2017, this growth is insufficient. Estimates suggest a cumulative funding shortfall of BDT 5,792.34 billion by FY2030 to reach SDG 13 targets. This translates to an average annual funding gap of BDT 986.15 billion (Figure 6).

Even if the current growth rate in climate spending continues, the projected allocation for FY2030 (BDT 87,561 crore) will fall far short of the additional funding needed for SDG 13 in that year (BDT 287,458 crore). This highlights the urgent need for additional resources to bridge the financing gap and ensure Bangladesh achieves SDG 13 by 2030.

3. Fiscal Measures Towards Achieving NDC Commitments

As the updated NDC states, Bangladesh has committed to reducing GHG emissions from five crucial sectors. While budgetary allocations are important to achieve the target, fiscal measures are crucial in mitigating GHG emissions. However, very few fiscal measures



are seen in the budget for FY2025. For instance, it was proposed to increase the value-added tax (VAT) in the local manufacturing stage for tube lights of 18 watts and 36 watts from 5 per cent to 15 per cent. While such a measure is a good initiative to curb the production and use of tube light, which is not environmentally friendly, the government has proposed a few fiscal measures that are directly contradictory to the goal stated in NDC. The government proposed increasing VAT at the local manufacturing stage on energy-saving bulbs, with a capacity of 1 to 50 watts, from 5 per cent to 15 per cent. It was also proposed that import duty on the raw materials of light emitting diode (LED) lamps and energy-saving lamps be increased from 0 per cent to 10 per cent. The increase of VAT and import duty for raw materials of LED lamps and energy-saving lamps will thus increase the cost, which will be passed on to consumers and industries. These LED lamps and energy-saving bulbs are crucial to achieving energy efficiency in the industry sub-sector and energy sector. The Government of Bangladesh (GoB) also amended the statutory regulatory order (SRO) for custom duty regarding the import of compressed natural gas (CNG) conversion kits, cylinders, and other machinery and equipment to be increased from 3 per cent to 5 per cent (Amendment of SRO No. 127/2022). CNG is a more efficient fossil fuel compared to octane and diesel. As a result, this may discourage the use of CNG and, instead of encouraging the use of diesel and octane, leading to more emissions.

It is also worth noting that other options could be used to achieve the target stated in the NDC. For example, the government could remove the capacity payment for fossil fuel-based captive power plants to fossil fuel based power producers. Providing capacity charge payment directly contradicts the target of reducing the GHG emissions from the energy sector stated in the NDC.

4. Conclusion and Recommendations

Bangladesh's proactive approach to integrating climate considerations into its budget underscores its commitment to

addressing the severe impacts of climate change. The CFF and climate budget serve as pivotal mechanisms in this endeavour, facilitating the alignment of fiscal policies with environmental resilience and sustainable development goals. Despite the progress in increased allocations and improved expenditure patterns, challenges persist. For example, there is a decrease in climate-relevant budget proportions and a shortfall in funding for the MoEFCC. Furthermore, the significant funding gap in achieving SDG 13 highlights the urgency for additional resources and strategic financial planning. Bangladesh must enhance its investment in immediate and long-term climate action, balancing priorities across food security, research, disaster management, and clean energy initiatives. By doing so, Bangladesh can continue to build resilience against climate change, safeguard its vulnerable populations, and foster a sustainable future. More specifically, the following recommendations are made to improve Bangladesh's efforts towards strengthening climate adaptation and mitigation.

- Increasing the share of the budget allocated to climate action to ensure a comprehensive response to climate change.
- Enhancing the effectiveness of the climate budget through efficient utilisation of both development and non-development funds.
- Enhancing finance in the ADP allocation to achieve the ambitious clean energy goals and mobilising funds for investments in mitigation and low-carbon development
- Increasing the share of the SSNP budget dedicated to climate-focused programmes for climate-vulnerable people.
- Integrating provisions for loss and damage within the climate budget by establishing a specific allocation to support climate-affected vulnerable people.
- Strengthening research and knowledge management to foster long-term planning and innovative solutions for adaptation.
- Ending capacity payments to fossil-fuel-based power producers as a step towards achieving the emission reduction commitments outlined in the NDC.

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Annexe 1

Annex Table 1: Tropical Cyclone Consequence by Decade

Decade	No. of Events	Dwellings Damaged	Dwellings Destroyed	People Affected	Injuries	Life Loss		Economic Loss (USD Million)	
						Minimum	Maximum	Minimum	Maximum
Pre-1900s	12	-	-	-	-	844270	1637270	-	-
1900s	2	-	-	-	-	315	841	-	-
1910s	6	-	-	-	-	234432	270932	-	-
1920s	2	-	8000	25000	-	606	2700	-	-
1930s	-	-	-	-	-	-	-	-	-
1940s	4	-	-	-	-	67700	69700	-	-
1950s	4	-	-	-	12	17070	28570	63	63
1960s	16	347361	1004493	1660000	-	74697	152059	130	130
1970s	10	400000	2300	4770000	50	211957	515186	63	86
1980s	11	921902	894919	14968547	430	7008	30129	360	360
1990s	12	1746086	1357680	24048514	1407953	140235	155942	1911	3200
2000s	11	1436217	838389	14682507	62401	3862	5698	1945	4924
2010s	3	130726	29786	1461925	1802	142	142	200	200
Total	93	4982292	4135567	61616493	1472648	1602294	2869169	4672	8963

Source: Authors' compilation based on ADB (2015).