

SEMINAR



# Climate Financing for MVCs Needs New Global Financial Structure

অধিক ক্ষতিগ্রস্ত দেশে জলবায়ু অর্থায়ন নিশ্চিত করতে  
দরকার নতুন বৈশ্বিক আর্থিক কাঠামো

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CIRDAP Auditorium  
Dhaka



([www.coastbd.net](http://www.coastbd.net))

## COP-28 [Dubai Conference] and our experience

### Commitment vs. demand: some issues are frustrating

- I. **L&D Fund commitment; huge gap between demand & allocation**  
*[\$ 792 Million commitment against \$1.5 Trillion]*
- II. **Disagreed scientific linkage by COP president; Global 1.5 degrees & fossil fuels phase-out**
- II. **Procrastination of grand based commitment for LDCs & MVCs**
  - Global Goals on Adaptation (GGA) Framework
  - Increasing Renewable Energy Investment



## Baku Climate Conference; Climate finance and our expectations

### Climate finance; based on Equity and Justice

#### Reforms global financial framework to ensure climate finance for LDCs & MVCs

- **LDC-MVCs are in debt trap in the name of climate finance**  
[Increase debt burden of 50 climate vulnerable countries- *Debt Justice*]
- **Strict conditions for LDCs-MVCs creating opportunities for IFIs business model on CF** [*GCF disbursed-45% grants, and 55% loans*]



## Existing global financing non-commensurate with the need of MVCs

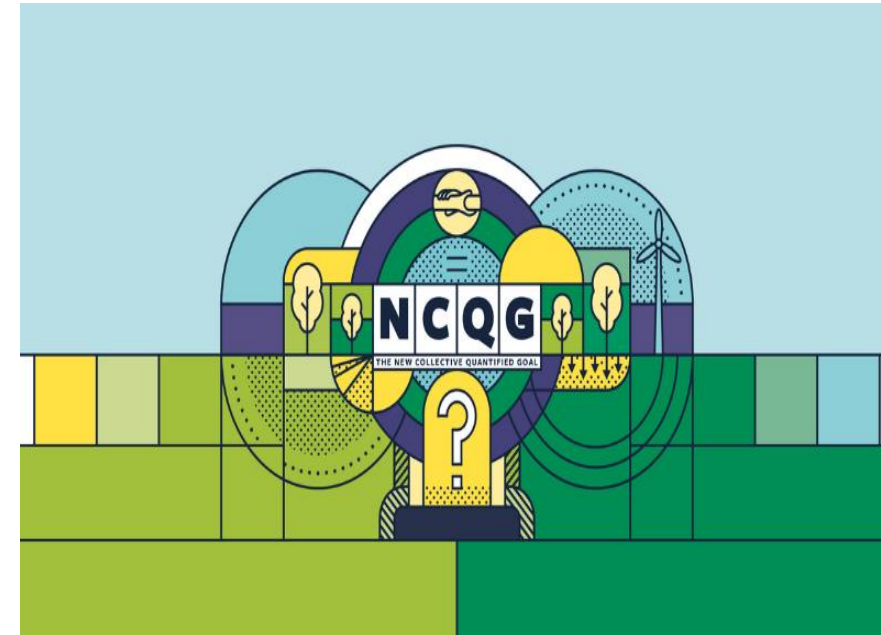
- Last 20 years, 185 disasters happened, average financial loss \$ 3.72 billion per year [*Global Risk Index*]
- Bangladesh needs \$ 18.24 billion per year to implement only 4 long term plans
- **Debt-burdening climate finance**
  - I. GCF has approved its mitigation project- \$ 256.4 [76.9%] but adaptation project is only \$76.8 million (23.1%)
  - I. 75% loans and 25% grants for projects of national institutions- *TIB*
  - I. Last 14 years [2009-23], total debt \$ 12.78 billion, per capita \$ 79.61- *Change Initiatives*



Name of Plan	Annual financing plan [BDT]	Annual financing plan [USD]
BCCSAP 2009	8600 Crore	0.74
Bangladesh Delta Plan-2100 [\$38 billion needed by 2030 for short-term steps]	63414 Crore	5.42
National Adaptation Plan [NAP] 2023-50 [\$230 million over 27 years]	99450 Crore	8.5
Nationally Determined Contribution [NDC] 2021-2030 [To be invested from own funds to achieve unconditional commitment]	41886 Crore	3.58
<b>Annual financing required</b>	<b>213,350</b>	<b>18.24</b>

## **New Climate Finance Goal “New, Need-based, Additional, Grant-based and must highly concessional public finance for Poor & MVCs”**

- I. NCQG financing strategy should focus to meet 1.5C Celsius Pathway
- II. Must adopt with thematic sub-goals- mitigation, adaptation, and LDF
- III. NCQG should priorities grants first, then highly concessional finance
- IV. Financing and resource mobilization responsibility must be polluter countries
- V. In the name of collectivism, cannot be forced to financial contribute of poor & vulnerable countries
- VI. NCQG Finance must be aligned with a human-rights and gender-responsive approach



**We demand New commitment of Official Development Assistance [ODA] at least 1% of the Gross National Income (GNI) of Organization for Economic Co-operation and Development [OECD] countries**

## Allocation of Adaptation Funds must go for MVCs and 100% grant based with real time perspective, because

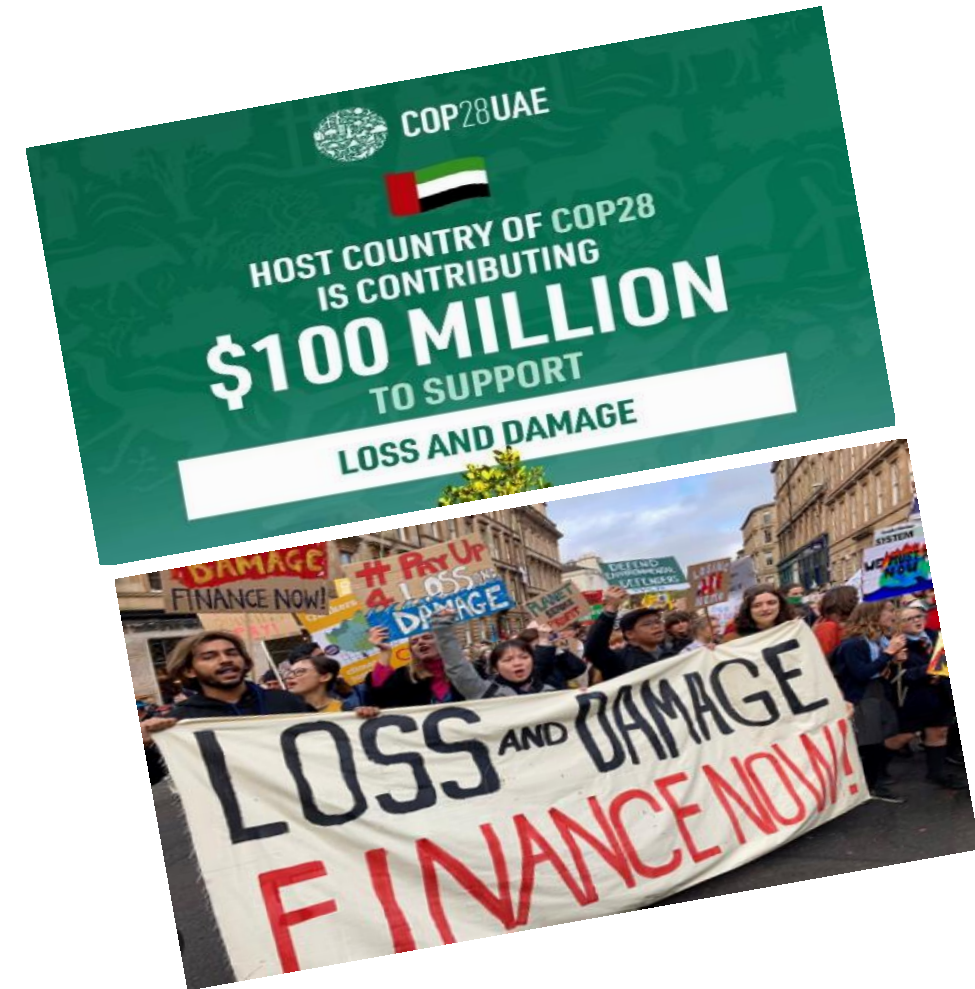
- Glasgow Conference commitment; doubling adaptation finance by 2025, still inadequate
- Developing countries need annual financial allocations from \$ 215 billion to \$387 billion in the current decade --  
*UNEP Adaptation Gap report*
- Now Adaptation costs less than \$ 50 billion a year, less than 10% of total climate investment-*Climate Policy Initiatives*
- Adaptation financing gap is \$194-366 billion per year

**Unless the issues are resolved, there is considerable doubt whether developing countries will be able to finalize their national climate plans before COP-30.**



## Priority of MVCs in Loss and Damage Fund [LDF]; should be grant-based, easy-accessible with commitment obligations

- I. V-20 countries estimated USD 525 billion due to climate change
- II. By 2030, developing countries will spend \$447-894 billion annually
- III. Must ensure; Not reduced GCF & Adaptation Fund for LDF
- IV. Addressing non-economic loss and damage: working hours , cultural-heritage education, etc.
- V. Operating and resourcing the LDF: Not like- GCF, immediate support to frontline community, rebuild, recover and safeguard their future
- VI. Fair contributions from developed countries: Make immediate and long-term financial commitment, scaling contributions based on rising needs and costs and ensuring climate justice principle



## 1.5 degree Temperature goal and our expectation

### I. Strengthen emission reduction through ending fossil-fuel targets

- 81.5% of fossil-fuel used globally as energy in 2023-[*World Energy Report*
- Compared to 2022, the use has decreased only 0.5%
- China and USA consume 47% of the world's total fossil fuel consumption

II. Lack of transparency, roadmap with timeframe-reporting system

III. NDCs targets of polluting countries still confusing [2060-2070,etc.]

IV. NDCs of polluting countries must be Ambitious

V. No so called “Net Zero” approach, we demand a “Zero emission” target by 2050



**COP28 Agreement Signals “Beginning of the End” of the Fossil Fuel Era**



## Time-bound targets for funding -technology transfer for LDCs to implement NDCs for aligning the 1.5 degree global warming target

- I. Applied CBDR-RC Principle for NDC implementation
- II. Technology transfer to meet renewable energy transaction target of LDCs
- III. Adequate grant based finance to fulfil NDCs target for LDCs



## Ensuring transparency and accountability on delivery of climate Finance

- I. Ensuring clear tracking and avoiding double counting and rejecting false accounting
- II. Using separate financing codes instead of a common code for climate finance
- III. Periodic Review of Climate Finance Obligations [Timelines and timeframes] is required
- IV. Definition of Climate Finance; Need to address both Adaptation and Mitigation finance.

Figure 1. Climate finance provided and mobilised in 2013-2022 (USD billion)



UNFCCC approved **Enhanced Transparency Framework [ETFs]** and accounting methodologies mandating developed countries to regularly report [Via biannual transparency reports] on their contribution

## What is BD position?

- I. Role to drafting a Non-conditional NCQG
- II. Take position against so-called ad-hoc funding declaration rather follow the PA strictly
- III. Climate Financing through G-G [Govt. to Govt.] process [No IFIs investment]
- IV. Restructuring Existing global financial system [Ref. Chief Advisor opinion & inference in last UNGA]
- V. Prioritized allocation and easy access to LDF for MVCs
- VI. Declare country position on ending fossil fuel. [May be govt. has commitment but we expect a roadmap]



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