

Bangladesh Uncovers the Crippling Cost of Climate Change Adaptation

Dossier de la rédaction de H2o
December 2014

With

a population of 140 million, Bangladesh is one of the world's most populated countries. It is also one of the most vulnerable to the impacts of climate change. Cyclones, floods and droughts have long been part of the country's history but they have intensified in recent years. As a result of the long exposure to these hazards, Bangladesh is a world leader in adaptation strategies but this has come with a heavy price tag.

To find out exactly how much tax payers' money has been absorbed by efforts to tackle the effects of climate change, the Ministry of Finance has been working with the UNDP-UNEP Poverty-Environment Initiative to launch its first comprehensive climate change accounting system. The results of the financial review were telling.

A crippling bill - Bangladesh currently spends \$1 billion a year, 6 to 7 per cent of its annual budget, on climate change adaptation. The figure is more startling when seen in context of the World Bank's recent estimation that 'Bangladesh will need \$5.7 billion for adaptation by 2050'. The budget review revealed that Bangladesh is spending nearly a fifth of that a year already. Contrary to popular assumptions, the budget review showed that it is the Bangladesh government, not international donors, which is picking up the bill. Three-quarters of money spent on climate change in the country comes directly from the government, while one-quarter comes from international donors. The irony of the finding will be lost on few people: the average European citizen emits as much carbon in 11 days as the average Bangladeshi in an entire year. Yet it is the government and the people of Bangladesh who are expected to pay for the escalating costs. The expenditure review also revealed that poorer households need far more to adapt to climate change. For the extreme poor and landless households, the damage from climate change often significantly exceeds their income, some by more than double the amount. In short, it is the poorest communities in Bangladesh who are being landed with a crippling development deficit.

New Government focus on climate -

The review created quite a stir within and beyond the Ministry of Finance. It has moved the issue of climate change beyond the sole remit of the Ministry for the Environment. By bringing together civil servants from across diverse ministries, including from agriculture, disaster management, water resources and local government, the initiative has proven the relevance of climate change to all departments. For Manumur Rashid from the Ministry of National Planning, it is a significant shift in government thinking. For the first time, climate change is no longer merely an additional demand, it is central to the country's development prospects. For him, a very different 'budget day' is now in sight - one

on which the Minister of Finance will follow his presentation of a national economic budget with the national climate budget.

Informing the global agenda

- The expenditure review is also making an impact beyond national borders. Bangladesh's Minister for the Environment has used the findings in statements in parliament and at international climate change negotiations. As the country is a very prominent player in the international scene, representing and fighting for the needs of other Least Developed Countries (LDCs) also grappling with escalating climate bills, the hope is that the figures will support a stronger negotiating position at the global level to leverage the kinds of funds required to fill the development gap created by climate change.

UNEP