

Climate change and its impact on Bangladesh

Technical assessment of the institutional implications

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By

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Author's note

This report was prepared as an introductory overview within the preliminary approach of DFID and other parties prior to the major Climate Change Conference held in London during September 2008. Subsequently, the approach was modified and much of this work is now being incorporated into the design of the Climate Change Multi-Donor Trust Fund.

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Introduction

A dramatic increase in the level of interest and concern relating to the impact of "Climate Change" on Bangladesh is readily apparent. The consequential high level of visibility of this issue within Government, Civil Society and the international community has inevitably led to numerous initiatives, suggestions and promises of increased donor aid. This confluence of increased visibility and massive increases in funding possibilities in turn creates a number of significant institutional challenges. A clearly defined institutional framework, together with the appropriate supporting organisational processes, are both urgently required in order to enable the Government of Bangladesh and the international aid community to align and integrate their efforts. In this way the goals and objectives laid out elsewhere in this paper can be achieved.

Underlying principles of design to be followed

A well-established axiom of organisation design theory and practice is that no single organisational solution or design is "right" for every situation. This statement may appear obvious but it is often ignored as Governments or NGOs attempt to install structures and processes imported from elsewhere and described as "Best Practice". The implications for Bangladesh are significant: an institutional framework has to be developed that, whilst recognising and perhaps drawing on international good practices, nonetheless has to reflect the specific conditions that apply in this country. Therefore it is important to establish and agree some of the underlying design principles that should be applied. Consequently, alternative solutions can be evaluated in a systematic and logical way: arriving at what is agreed to be the "best" solution for Bangladesh. It is proposed that the design principles applying to the current situation include, but are not necessarily limited to, the following:

1. Clearly define the accountabilities for "Climate change" issues in Bangladesh
2. Establish organisational and institutional frameworks that align with, and enable the discharging of, those accountabilities
3. Define and implement appropriate non-structural organisational processes and procedures that will enable the institutional framework to operate effectively and efficiently.
4. Create and sustain the institutional capability and individual capacity / competencies that are needed to enable the institutional framework to operate effectively and efficiently.

Each of these principles is explored further in the sections that follow and a series of practical responses are recommended that align with these **design principles**.

1: Clearly define accountabilities for "Climate Change" issues

'Climate change' is a rich concept and this richness is deepening as the international community becomes ever more interested and active within Bangladesh. The scope of the concept has obvious implications for the accountabilities that need to be defined. Given the current circumstances, some critical domains for which the accountabilities need to be defined include:

1.1 Policy making

Some form of institution needs to be given the accountability for developing, articulating and promulgating the climate change policies of the Government of Bangladesh. This policy framework will help shape subsequent actions: both centrally and in associated Ministries, NGOs, other agencies and the general public.

1.2 Knowledge management

A repository of established knowledge is needed as the basis of understanding and growth. This will involve: *knowledge acquisition* (through research, collaboration and environmental scanning); *management of knowledge* (a central reference point created through, for example, the establishment

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of networks, databases and interactive web portals accessible to all relevant parties); the *dissemination and sharing of knowledge* in the form of education, communication, training and development. One or more institutions may be needed to cater for this wide array of accountabilities.

1.3 Coordination and project management

With so much activity already underway or planned for future implementation, some form of institutional arrangement is needed to coordinate the work of various implementing agencies and, where necessary, to take accountability for managing the implementation of large-scale projects. The accountability for creating and/or maintaining networks of interested parties also has to be allocated to some type of institution.

1.4 Management of in-bound funds

A very large volume of funds from the GoB and international donors / lenders has already been made available for addressing climate change issues. This volume is expected to increase dramatically in the years to come. An organisational unit is needed that will have the clear accountability for managing this inflow: agreeing donations, negotiating funding streams, accounting for income received etc

1.5 Management of funds outflow

A unit will need to be given the accountability for the allocation of grants and loans and the distribution of any other form of monetary support for climate change activity. All such disbursements need to be controlled in line with the Government policy framework.

Other accountabilities will emerge as the GoB policies and strategies are refined.

2: Establish institutional frameworks aligned to accountabilities

It is recommended that, as a basic minimum, the following organisational arrangements are implemented in Bangladesh in line with the design principles summarised herein:

2.1 Creation of a central apex body for “climate change”

This unit will have accountability for policy-making, direction-setting and strategic leadership of climate change activity in Bangladesh. Although such a body will not have the accountability for the climate change activities within individual ministries and agencies, it will, nevertheless, exercise considerable intellectual and political influence over the shape and direction of CC activity in the years to come. It is recommended that such a unit should be housed within a well-established agency that already enjoys the sort of political influence and power needed if direction setting is to be consistent and effective. Possible locations for this body would be within the Ministry of Finance, the Planning Commission or the Prime Minister’s Office. It should be supported by a small secretariat and, in addition, an Advisory Board, drawn from all sections of government, the scientific community and civil society, should be set up for the formulation of specific policies. A potential name for this central body might be: **Central Climate Change Office**. A very significant sub-unit within this central agency will be associated with the funding issues: in-bound funds and out-bound disbursements. Specialists and experts will be needed to resource such a “**Climate Change Financial Management Division**”.

2.2 Establish clearly defined focal points across whole of Government

In order to support the long-term goal of mainstreaming climate change into whole of Government, suitable focal points will need to be established (or existing Cells confirmed) in each Ministry. As well as having the accountability for achievement of the CC goals for their respective organisation, these **Climate Change Focal Points and Cells** will share the accountability for the mainstreaming of the climate change agenda for Bangladesh. If such an arrangement is implemented, it will have obvious implications in terms of individual and organisational capacity as well as in the nature of the non-structural processes needed to help it work in practice.

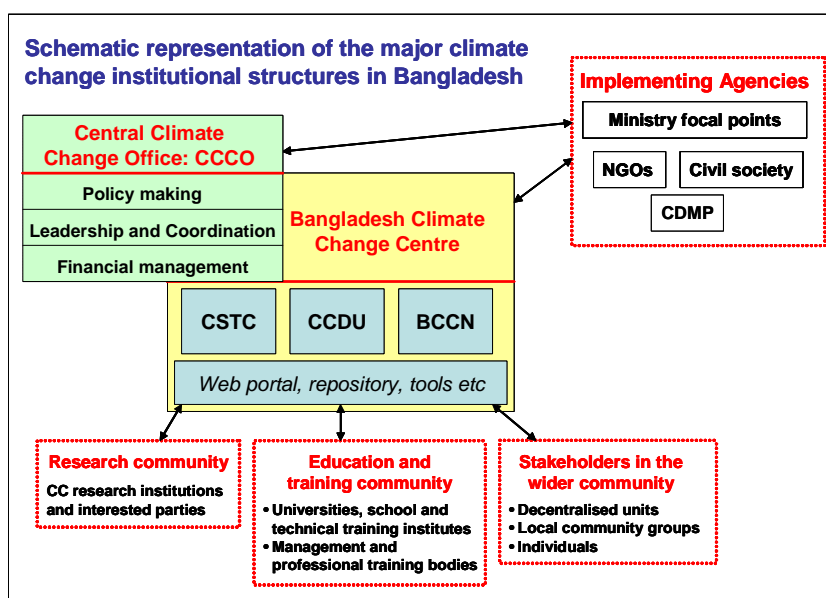
2.3 Set up a central coordinating body for knowledge management

There is a need for a central body to pursue the following goals:

- **Acquire information and knowledge** related to all relevant aspects of climate change in Bangladesh and the wider South Asian region. This will involve the scanning of existing research programmes in this country and internationally as well as commissioning of specific research projects, using monies controlled through the central financial management team. This might be designated the **Climate Science and Technology Consortium (“CSTC”)**

- **Manage and make available information and knowledge** to the wider public in a systematic manner. The various audiences for information and knowledge-sharing will cover a wide range: from the scientific community through advocacy groups, educational establishments down to local communities and even individuals. Some form of central repository and exchange mechanism is needed that can manage and make available the potentially vast amount of information and evolving knowledge relating to climate change in Bangladesh. This might be called the **Bangladesh Climate Change Network (“BCCN”)** and would have the accountability of developing a suitable out-reach programme for the whole of Bangladesh.
- **Disseminate and share the information** for the purposes of capacity building and growth. Central support and guidance should be given to the multitude of education, training and development groups that already exist. This might be called the **Climate Change Development Unit (“CCDU”)**

The overall coordination function for all of these specialist units can be accommodated within the **Bangladesh Climate Change Centre** which would draw upon the direction, policies and financial controls of the CCCO and would also interact with all of the focal points within Government. The relationship of this unit with other parts of Government and the wider climate change community is illustrated below, although it must be noted that this schematic does not imply any formal recommendation for reporting status or functional titles.



3: Implement appropriate non-structural processes and procedures

Alongside any new form of institutional arrangement within Bangladesh, it is necessary to consider the significant *operational challenges* and how they can be addressed through organisational **processes** (rather than merely relying on formal structures). The critical issues to be managed include:

3.1 Locus of power and control

Where will the power to make decisions rest, and how will decisions be made, communicated and enforced? This challenge will exist whatever institutional arrangement is preferred, and will require a comprehensive solution that meets the potentially conflicting aspirations and plans of various Ministries and power-blocs. A clear, unambiguous and consistent locus of power and direction for climate change matters in Bangladesh is essential.

3.2 Transparency and good governance

With such large volumes of funding (from donors and GoB internal sources), as well as enhanced loan facilities from the major multilateral agencies, it is vital that international standards are attained and sustained in the domains of transparency and governance. Transparency will be achieved when donors and GoB leaders reliably know the source of funds, how those funds are being managed and details of their disbursement. Any attempt to divert funding to non-core activities, attempted misappropriation or other forms of misdemeanour should be prevented through establishing rigorous

management controls and **external audits**. Internationally-recognised principles of good governance should be applied to all of the new institutions developed for Bangladesh.

3.3 Behavioural modification towards good practices

Significant effort will be needed to shape and modify traditional civil service behaviours if the high degree of inter-agency cooperation and elevated demands on Government functions to act in ways that align with the GoB Climate change strategy are to be accomplished. Systematic training, education, effective line-management, close supervision and the application of suitable sanctions for non-performance are needed - in order to ensure that any new institutional arrangement operates effectively. The widely shared perception of the nature and seriousness of the threats to Bangladesh from climate change should support and favour establishment of the radical changes that are needed in the traditional "silo mentality" of a long-established bureaucracy.

3.4 Cultural change and attitudinal shifts

A significant implication of the agenda for **mainstreaming** is the gradual internalisation amongst a wide range of actors and stakeholders of appropriate and supportive attitudes and behaviours towards climate change. Such a change will require a gradual shift in attitudes relating to adaptation measures and the gradual establishment of a organisational culture that values and respects the climate change goals. It will take time and a significant investment of resources to establish such a culture.

3.5 Management of human resources and organisational health

The design on paper of a new organisation structure will not guarantee effectiveness or efficiency and the quality of the human resources deployed will be critical to long-term success. Thought will need to be given by GoB towards the steps needed to attract, train, retain and motivate the target number and quality of specialised employees needed to meet the challenges of climate change.

It is recommended that some other non-structural processes should include:

- The definition of ways in which inter-ministerial and inter-agency cooperation and joint working can take place. For example, this could include **standard operating procedures**, backed by leadership from high level authorities and **widespread training** amongst all levels of the civil service.
- **Appropriate levels of control** of de-centralised institutions through policies, codes of practice and agreed **delegations of authority**.
- Achievement of consistency and clarity in **role definition**. These roles will also need to be periodically reviewed and, where necessary, revised in the light of changing circumstances within Bangladesh.

4: Create and sustain the institutional capability and individual competencies

This vital aspect of the development of effective institutional arrangements should be based on proven methods of strengthening institutions and growing individuals. Systematic programmes of development and training need to be shaped by demands developed from, *inter alia*,

- effective role definition in terms of outcomes and results
- competency profiling for all (major / senior/ specialised) roles
- systematic and regular training needs analysis
- setting of targets and goals for individuals and functional units
- effective performance management techniques applied to departments and individuals
- possible introduction of some form of incentives
- career planning for individuals
- manpower planning and the creation of realistic succession plans.

Summary

Achieving success in responding to the challenges of climate change will rely, to a greater or lesser extent, on the nature and quality of the institutional arrangements that emerge or are put in place. These preliminary notes provide a basis for moving forward with a debate on what might be the "best" institutional arrangements for Bangladesh.

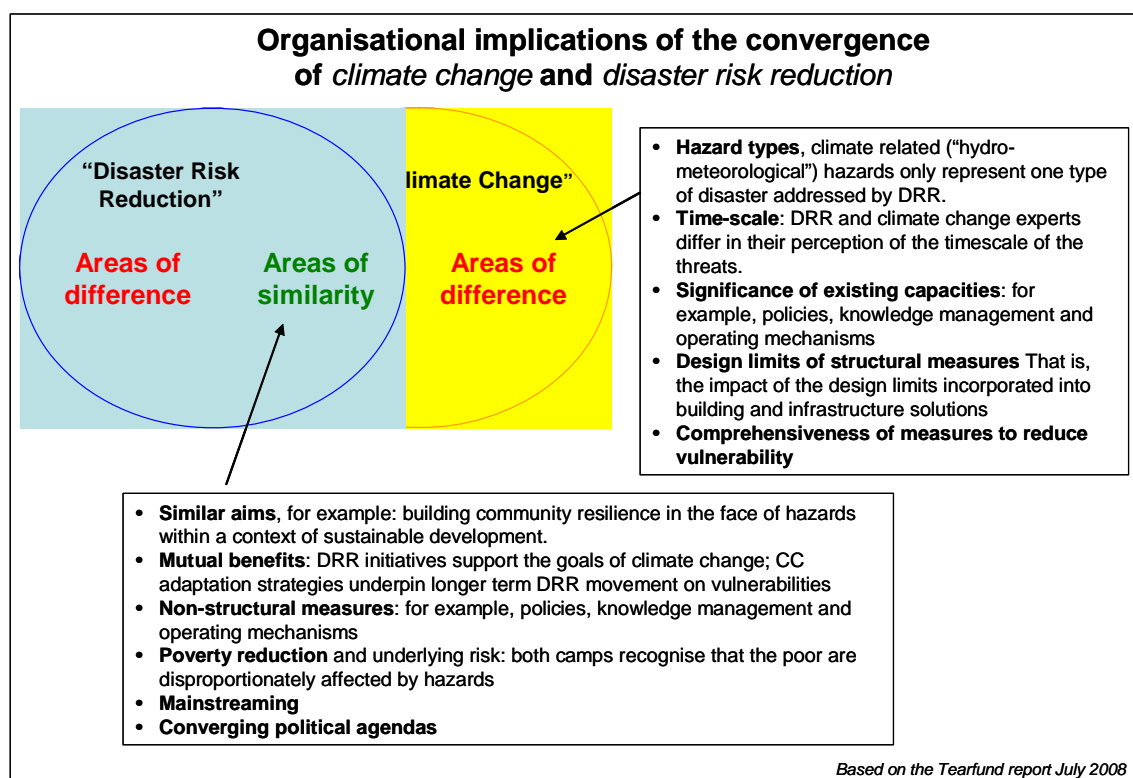
Appendix

Clarification of the domain of “climate change”

In this appraisal, an exclusive focus has been maintained on the issues in Bangladesh surrounding **adaptation** to the predicted effects of climate change: no institutional or organisational processes are discussed related to **mitigation**, since the pressing issues confronting this country are primarily dealing with the **impact** of climate change rather than attempting to **mitigate** any potential root cause.

Convergence of Climate change and Disaster Risk Reduction

This is another topic that has received considerable coverage recently and it remains a troublesome issue: commentators agree that there is some convergence but differ in their conclusions on what needs to be done. There are clearly a number of ways in which these two disciplines are similar and aligned; yet equally there are many ways in which the aims and objectives of the two disciplines diverge. These similarities and differences have been well described in a recent paper¹ and some of the recommendations in this technical appraisal have drawn upon of the analytical frameworks used. The similarities and differences are represented visually here:



¹ “Linking climate change and disaster risk reduction” Tearfund / IDS, July 2008