

Press conference report

National Budget 2023-2024 and Sustainable Economic Development

“Demand Effective Initiatives to Combat Money Laundering & Climate Finance of 3.2% of GDP”

5, June, 2023, from 11.00-12.30 pm at the National Press Club, Dhaka



Civil society organizations and climate activists in a joint press conference called for at least 3.2% of the country's GDP to be dedicated to climate financing through the national budgetary process every year. They also demanded that the government take effective steps to reform the taxation and financial systems in order to prevent capital flight and facilitate domestic resource mobilization for climate financing. 5 June 2023, National Press Club, Photo-COAST

1. Introduction:

The press conference titled “National Budget 2023-2024 and Sustainable Economic Development; Effective Initiatives to Combat Money Laundering and Climate Finance of 3.2% of GDP” was held on 5 June at 11.00 am at the National Press Club. In a press conference, Civil Society (CSOs) and experts have demanded at least 3.2% of GDP [Gross Domestic Product] resource for climate financing through national budgetary process in every year. They also demand government to measurable steps by reforming Tax and financial system to stop capital flight for necessary resources mobilization domestically for climate financing.

2. Event Organizers:

The event was jointly organized by COAST Foundation, CPRD [Center for Participatory Research & Development] and CSRL [Centre for Sustainable

Rural Livelihood], EquityBD [Equity and Justice Working Group Bangladesh], AOSED [An Organization for Socio-Economic Development]-Khulna, CANSAs-BD [Climate Action Network on South Asia-Bangladesh] and LEDARS-Satkhira.

3. Purpose and rationale of this event:

The government has adopted important long-term climate strategic plans like BCCSP-2009, National Adaptation Plan 2050, Bangladesh Delta Plan-2100, Mujib Climate Prosperity Plan 2022-2030 and Nationally Determined Contribution (NDC) to address the negative impacts of climate change at present and onward. All these plans are reflected in the 8th Five-Year Plan and the Annual National Budget for implementation.

The Government policy initiatives are appreciable but the traditional annual climate financing is insufficient to address the current and future risks as experts opined. While climate finance requires a minimum allocation of 3.2% of

GDP per year, the government is allocating far behind which is less than 1% during the last few years. In the above context, the above organizations organized a press conference jointly to highlight the above issues to strengthen the demand for climate financing through the national budget.

4. Participants of the event:

The event was moderated by Mr. Rezaul Karim Chowdhury, Executive Director of COAST Foundation. The key-presentation were presented by Mr. Sayed Aminul Hoque, General Secretary of EquityBD. As the Discussants, there were Mr. Ziaul Haque Mukta, General Secretary, CSRL, Mr. Shamsuddoha, Chief Executive, CPRD, Mr. Shamim Aroffin, Executive Director, AOSED, Mr. Kausar Ahmed, President, Bangladesh Climate Change Journalist Forum, Mr. Ahsanul Karim, Coordinator, Campaign for Tax Justice, Ferdous Ara Rume, Coordinator, Campaign for Gender and Tax Justice. Also, representatives of various electronic and print media were present on the event and asked various questions to the panelists.

5. Key-Note Presentation:

Mr. Aminul Hoque said that, government has been allocating a portion of budgetary money for Disaster Management purpose since its independence. This money just shifted in the name of climate finance to show the donors which does not commensurate the present climate context and its requirements in achieving climate resilient Bangladesh.



He also shown that government strategic climate plans like Delta plan 2100, Mujib Climate Prosperity Plan 2030 and NDC [National Determined Contribution etc.] is required around 3.2% of GDP [BDT 1,83,000 crore/year] investment every year where allocation is far less against target. In this context, he put a few demands regarding climate financing issues are (i) Government must ensure at least 3.2% of GDP as climate financing according to their strategic plans and real time implementation, (ii) Govt. should think for an Integrated national climate budget instead of separate climate finance which is hardly realistic, (iii) Government should not go with

foreign loan for climate financing and will have to manage resource through domestic process benefiting the mass level of investors (iv) Govt. must be taken appropriate measures stopping capital flight for domestic resource mobilization and (iv) Integrated coastal protection program as one of the prioritized investment sectors for saving and developing the coastal livelihood.

6. Panel Discussions

Mr. Rezaul Karim Chowdhury said we need an integrated coastal development plan and finance where disaster risk reduction, social development like health, technical education and employment generation program implements simultaneously and that will be a real protection and benefit the coastal people.



Mr. Ziaul Hoque Mkuta from CSRL said there are lack of policy coherence among the government climate plans like Delta plan and Mujib Climate Prosperity plan etc. Proposed 2023-24 budget is the output of these inconsistencies where no target on real climate financing. Government will have to emphasis the issues of strategic climate plans and allocate climate finance accordingly.



Mr. Shamsuddoha of CPRD opine that government ministries are lack of capacity utilizing money and they don't have sectoral plan which is one of the causes for separate climate financing. Apart, the ministries are also very much interested to take climate finance from the IFIs [International Financial Institutions] because there have little of accountability and transparency comparing finance through global climate financing process like sovereign donors. He recommended government ministries to develop their institutional capacity for having necessary climate finance.



Mr. Shamim Arofin of AOSD said that government has ignored coastal protection issues. That's why climate induced displacement and migration being happened and increasing socio-economic imbalance. He hopes govt. will realize the issues as important and revise climate financing strategies accordingly.



Mr. Kawser Rahaman BCJF opine the proposed budget as IMF compliance which ignored the pro-poor demands with imposing regressive taxing like VAT. He demanded the budget revision and introduce resource tax for revenue mobilization.



Mr. Ahsanul Karim demanded appropriate measure to stop capital flight in this regard. Like every year, there is a deficit of Tk 2,57,885 crore in the proposed budget which is 34% or more than one third of the total proposed budget. The government cannot achieve more than 70 % of the revenue collection target on an average in any year. So, the gov't should increase direct tax collection & reduce burden of indirect taxes on the poor



Mrs. Ferdous Ara Rume criticized the budget for less focused to gender and demanded climate finance under safety Net program where climate vulnerable women will be benefited. The budget for the fiscal year 2022-23 was 39.6 %. In the fiscal year 2023-24, the percentage of gender-sensitive budgeting has decreased to 38.6%. Many times, we mention many advantages on paper, reality is not so gender sensitive yet.



7. Media Coverage

Name of the paper	Link
The Daily Star	https://rb.gy/l9nr1
The Business Standard	https://rb.gy/8kxb4
The Financial Express	https://rb.gy/50qdh
The New Nation	https://rb.gy/g1rpx
The Finance Today	https://rb.gy/i8ox7
UNB	https://rb.gy/7r6sx
kalerkantho	https://rb.gy/09ttr
The Business Standard [Bangla]	https://rb.gy/3anqy
Daily Janakantha	https://rb.gy/ahuyz
BSS	https://rb.gy/2wnnl
Dainikbangla	https://ln.run/26Dt0
Protidin Bangladesh	https://rb.gy/5kmh7
Bangla Tribune	https://rb.gy/y5whf
Daily Shomoyer Alo	https://rb.gy/m18wx
Ajker Arthonit	https://rb.gy/yz52t
Ajker Patrika	https://rb.gy/a4zu5



Civil society organisations and climate activists in a joint press conference held on Monday called for at least 3.2% of the country's GDP to be dedicated to climate financing through the national budgetary process every year.

They also demanded that the government take effective steps to reform the taxation and financial systems in order to prevent capital flight and facilitate domestic resource mobilisation for climate financing. The conference was organised by COAST Foundation, the Center for Participatory Research and Development (CPRD), the Centre for Sustainable Rural Livelihood (CSRL), EquityBD, an Organisation for Socio-Economic Development (EquityBD), an Organisation for Socio-Economic Development (AOSD)-Khulna, Climate Action Network on South Asia-Bangladesh (CANSAs-BD), and LEDARS-Satkhira.

Civil society orgs demand 3.2% of GDP for climate financing

During the conference, Aminul Hoque from EquityBD highlighted that although the government has been allocating funds for disaster management purposes, these funds are being labelled as climate finance to demonstrate commitment to donors. However, this allocation does not adequately address the current climate challenges and the requirements for building a climate-resilient Bangladesh.

Md Shamsuddoha of CPRD expressed concerns about the lack of capacity within government ministries to effectively utilise climate finance. He identified the absence of sectoral plans as a major hurdle and suggested that ministries enhance their institutional capacity to access necessary climate finance.

Md Ziaul Hoque Mukta from CSRL emphasised the lack of policy coherence among government climate plans, such as the Delta Plan and Mujib Climate Prosperity Plan.

Event moderator Rezaul Karim of COAST demanded an integrated coastal development plan and finance that simultaneously addresses disaster risk reduction, social development, and employment generation programs.

He emphasised that such an approach would provide real protection and benefit coastal communities.

The Daily Star

Staff Correspondent
Tue Jun 6, 2023 12:00 AM
Last updated on: Tue Jun 6, 2023 01:35 AM

Budget reflects no concern for environment

Speakers tell discussion, demand 3.2pc of GDP for climate adaptation

The government should allocate 3.2 percent of the GDP for climate adaptation in the proposed national budget, since this will prepare the country to effectively combat the risks posed by climate change, said speakers at a programme yesterday.

Under the recently proposed national budget, an allocation of Tk 37,851 crore has been made for climate-related initiatives. It represents 4.86 percent of the total budget and 0.74 percent of GDP.

For all latest news, follow The Daily Star's Google News channel.

Civil Society (CSOs) and experts have voiced concerns that this budget allocation falls short of adequately addressing climate change challenges.

Climate change causes an economic loss of 2-3 percent of GDP each year. Failure to allocate adequate allocation in this sector could hinder the country's sustainable development.

COAST Foundation, Center for Participatory Research & Development (CPRD), Centre for Sustainable Rural Livelihood (CSRL), EquityBD, an Organisation for Socio-Economic Development (AOSD)-Khulna, Climate Action Network on South Asia-Bangladesh (CANSAs-BD) and LEDARS-Satkhira jointly came up with this demand in a discussion held at the capital's Jatiya Press Club.

Addressing the event, Sped Aminul Hoque, director of COAST Foundation, stressed that successful implementation of government plans, such as the Delta Plan 2100, Mujib Climate Prosperity Plan 2030, and National Determined Plan, require an annual allocation of around 3.2 percent of the GDP.

Jiaul Haque Mukta, president of CSRL, called for skillful planning and adequate allocation of funds for climate change adaptation.

Shamsuddoha, executive director of CPRD, highlighted the concerned ministries' lack of capability to effectively utilise financial resources and implement project-based planning.

"Separate climate finance mechanism is required to overcome this challenge," he said.

Ferdous Ara Rume, co-director of the COAST Foundation, demanded climate financing as part of a safety net programme for climate-vulnerable women.

Rezaul Karim Chowdhury, executive director of COAST Foundation and moderator of the session, suggested that disaster risk reduction, social development, technical education, and employment generation programmes could be effectively implemented under this comprehensive plan, ensuring a strong protection system for the coastal population.

