



## Learning Hub Event (LHE)

### Stakeholder Engagement Meeting report



This Learning Hub Event (LHE) was made possible by the support of the American people through the United States Agency for International Development (USAID). The contents are the sole responsibility of the Gobeshona programme and do not necessarily reflect the views of USAID or the United States Government

Copyright © 2017 International Centre for Climate Change and Development (ICCCAD)

All rights reserved. ICCCAD encourages fair use of this material for non-commercial purposes, with proper citation. This publication is based upon the outcomes of the Learning Hub Event (LHE) on August 16, 2017 and has been compiled from the rapporteur notes. The publication is a summary from the organizer's point of view, and does not necessarily express the views of each individual participant.

International Centre for Climate Change and Development (ICCCAD)

At

Independent University, Bangladesh (IUB)

Plot 16, Block B, Aftabuddin Ahmed Rd

Bashundhara R/A

Ph: 88-02-840-1645-53 Ext. 3311

Fax: 88-02-840-1991

Web: <http://www.icccad.net> , <http://www.gobeshona.net> , <http://www.iub.edu.bd>

<b>Event title:</b>	<b><i>LHE Stakeholder Meeting</i></b>
<b>Date &amp; Time:</b>	<i>Wednesday, August 16, 2017, 07.30 pm – 10.00 pm</i>
<b>Organizers:</b>	<i>International Centre for Climate Change and Development (ICCCAD), Independent University, Bangladesh (IUB).</i>
<b>Funded by:</b>	<i>USAID</i>
<b>Venue:</b>	<b><i>Radisson Blu Dhaka Water Garden</i></b>

<b>Name</b>	<b>Organisation</b>
<b>Mr. Asif Iqbal</b>	Bangladesh Bank
<b>Mr. Md. Sharfuzzaman</b>	Bangladesh Bank
<b>Mr. Iftekhar Hossain</b>	ERD
<b>Ms. Shamima Nargis</b>	ERD
<b>Mr. Mirza Mohammad Ali Reza</b>	ERD
<b>Ms. Aparna Baidya</b>	ERD
<b>Mr. Golam Rabbani</b>	ERD
<b>Mr. Md. Enamul Karim Pavel</b>	IDCOL
<b>Mr. Mahmud Malik</b>	IDCOL
<b>Mr. Fazle Rabbi Sadeque Ahmed</b>	Palli Karma-Sahayak Foundation (PKSF)
<b>Mr. Mrityunjoy Das</b>	BRAC
<b>Mr. Tareq Refat Ullah Khan</b>	BRAC BANK
<b>Mr. Shaheen Iqbal</b>	BRAC BANK
<b>Mr. Chawdhury Akhter Asif</b>	BRAC BANK
<b>Mr. Mohiuddin Tipu</b>	BRAC Bank
<b>Dr. Atiq Rahman</b>	BCAS
<b>Ms. Ishrat Jahan</b>	City Bank
<b>Ms. Mubruka Nadee</b>	Green Delta Capital
<b>Mr. Mohammad Shorab Hussain</b>	Green Delta Capital
<b>Mr. Abu Hasan Zaman</b>	Head of Treasury, ACI
<b>Ms. Sabrina</b>	DM Treasure, ACI
<b>Mr. Shamim Murad</b>	ACI
<b>Mr. Abdus Sattar</b>	Grameen Shakti
<b>Mr. Md. Mahmudul Hassan</b>	Grameen Shakti
<b>Dr. Abdur Rashid</b>	Lal Teer
<b>Mr. Faisal Ahmed</b>	Lal Teer
<b>Mr. Arif Khan</b>	IDLC
<b>Mr. Asif Saad Bin Shams</b>	IDLC
<b>Mr. Mesbah Uddin Ahmed</b>	IDLC
<b>Mr. Shahriar Rahman</b>	IDLC
<b>Mr. Munawar Misbah Moin</b>	Rahim Afrooz
<b>Mr. Quazi Ahmad Faruque</b>	Rahim Afrooz
<b>Mr. Helal Uddin</b>	SREDA
<b>Mr. Siddique Zubair</b>	SREDA
<b>Mr. Md. Baitul Amin Bhuiyan</b>	SREDA
<b>Mr. Taibur Rahman</b>	UNDP
<b>Dr. Saleemul Huq</b>	ICCCAD
<b>Mr. Yousuf Mahid</b>	ICCCAD
<b>Ms. Naznin Nasir</b>	ICCCAD
<b>Dr. Feisal Rahman</b>	ICCCAD
<b>Ms. Laura Bahlman</b>	ICCCAD
<b>Ms. Catherine Cecil</b>	British Council
<b>Mr. Arsalan NI</b>	GCF

<b>Ms. Ayaan Adam</b>	GCF
<b>Mr. Leo Park</b>	GCF
<b>Mr. Shahadat Hossain Shakil</b>	USAID
<b>Mr. Patrick Meyer</b>	USAID
<b>Mr. Dipal Barua</b>	BGEF
<b>Mr. Moheuddin Ahmed</b>	Amity Solar BD
<b>Ms. Salina Khan</b>	Amity Solar BD
<b>Dr. Zia Ahmed</b>	Chairman, UIPB
<b>Mr. Joe Hyungue</b>	Country Director, KOICA

## Learning Hub Event (LHE) Stakeholder Meeting

### Background

Despite the Government of Bangladesh's (GoB) recognition of climate change as a crucial development issue, appropriate understanding of climate change related issues and knowledge sharing platforms for comprehending pertinent issues in different sectors, is lacking. This will eventually affect policy decisions, development planning, and implementation of interventions. A constructive knowledge sharing platform can facilitate an exchange of learning and understanding of cross-country experiences on climate change planning and climate financing among the GoB officials. This will eventually contribute to effective policy decisions and their implementation through development planning. To address this, ICCCAD-IUB has developed a mechanism called the Learning Hub Event (LHE).

The LHE, organized jointly with the Ministry of Finance, Government of Bangladesh, consists of a half-day event that focuses on a topic of interest to the concerned ministry (hence it is demand driven). Once a topic is agreed with the ministry, suitable experts (who have relevant research/expertise and are willing to present) are considered for the presentation. The idea is to deliver research outcomes from national and global contexts, which further help in policy making. The founding principle of the LHE was to target national plans like the Five Year Plan, Perspective Plan etc. The LHE informs policy makers about climate change issues so that they can be incorporated into planning processes in Bangladesh. The platform itself is a unique way of disseminating knowledge products developed by researchers and government representatives. While deploying an LHE event, the ICCCAD team ensures that the LHE is bringing together the most senior government officials from the ministries concerned, who are significantly leading policy making processes or have been involved in several development programs or national level planning.

In order to sustain the platform and to conduct such events in a planned way so that the stakeholders get engaged with the whole process, ICCCAD-IUB in association with USAID, under the Gobeshona Young Researchers Programme (GYRP), has deployed a LHE Stakeholder Engagement Meeting. The theme of the event was to engage private sector stakeholders in the climate finance arena. Following through, the meeting was organized to envisage country's need for understanding the relevant issues of climate finance and the role of mobilizing private finance to combat the impacts of climate change.

The engagement meeting was focused on the discussion about the Private Sector Facility (PSF) of Green Climate Fund (GCF) - that was developed to fund and mobilize institutional investors and leverage GCF's funds to encourage corporate entities to co-invest. The meeting was designed based on the notion that the private sector – in particular, the role of transnational corporations and financiers – has featured prominently in the current discussions on the GCF. The meeting consisted of more than 50 participants. Dr. Saleemul Huq, Director, ICCCAD facilitated the session. Three representatives from GCF, Ayaan Adam, Director; Arsalan Ni, Senior Advisor and Leo Park, Financial Institutions Specialist at the Private

Sector Facility, were the lead resource persons. Participants included representatives from the National Designated Authority (NDA) of Bangladesh to GCF - Economic Relations Division (ERD), National Implementing Entity (NIE) of Bangladesh-IDCOL, USAID and prospective private sector stakeholders. A list of participants is attached as annex. The meeting was followed by a dinner.

### Objectives of the meeting

- To provide an outline of the recent global debate on climate change finance both at global and national level;
- To support the private sector stakeholders to understand the current context of GCF and the PSF
- To encourage the private sectors to develop the bankable project proposal and to share with the NDA to develop a project pipeline

### Points of Discussion

Dr. Saleemul Huq briefly explained the objectives of the event and the need for the platform to exchange the dialogues among the stakeholders. He also emphasized on the cross-country experiences that the dialogue has exhibited. The potential role of private sectors to leverage climate finance to tackle climate change in a sustainable manner, was also mentioned. According to him, PSF-GCF provides a part of the whole picture for the country's development to achieve the sustainable goal; private sector organizations of Bangladesh themselves can play a vital role through ensuring mainstreaming of climate sensitive investing into their businesses.

The GCF representatives, on their whole discussion, were mostly focused on the private sector's engagement in climate change related activities. They illustrated the opportunities that the GCF is presenting in the current context and stated the strategic view point of GCF. They encouraged the private sector entities to share project ideas in the form of a concept note and later to develop bankable project proposals. They have also highlighted 6 investment criteria that are being considered while evaluating a project proposal;

- Impact Potential
- Paradigm Shift Potential
- Sustainable Development Potential
- Needs of Recipient
- Country Ownership, and
- Efficiency and Effectiveness

They then focused on the 5 pillars: NDA strengthening, strategic framework development, accreditation support (only for public sector entities), pipeline development and information sharing. They stressed that unless an entity is accredited with GCF, it will not be able to access the fund. Basic accreditation only allows an entity to receive funds from GCF whereas specialized accreditation allows them to channel funds as well. Accredited entities have to get a no objection letter from the NDA to prove they are well aligned with the national priorities. Most of the time the NDA appoints an executing entity which undertakes the major operational activities.

In addition, they spoke about the financial instruments used by GCF, which are equity (co-financing), grants (with or without repayment contingency), concessional loans (terms will be competitive with the market) and guarantees to cover specific risks. GCF can provide grants in addition to non-grant instruments. In their concluding remarks, they addressed that the GCF will allocate a significant proportion of its resources to the PSF and that the PSF is not an “add on” but rather a mainstream component of the fund. They also mentioned the recently announced global call for proposals to unlock private sector investment in climate finance. Through this call, the fund is allocating up to USD 500 million under its Private Sector Facility to identify high impact projects and programmes that mobilize private sector investment in climate change activities at scale.

One of the representatives from NDA Secretariat said there is no alternative but to develop the capacity to gain direct access to GCF and the ERD is flexible and open to request from all stakeholders. He requested the prospective private sector entities e.g. Rahimafrooz, Solaric, IDLC, Lal Teer etc. to explore more on the opportunities and to develop a bankable project concept note and share it with the NDA as early as possible. NDA has also ensured the participation of IDCOL as a NIE throughout the whole process. IDCOL, with their experience, poses a high potential to get involved the private sectors in climate change projects. As next steps, he recommended maintaining a regular channel of communication among the private sector organizations and requested them to share project ideas in a simpler format of the concept note that the NDA has prepared.

## Ways Forward

The event garnered a lot of interest and enthusiasm from participating private sector organizations. It aimed to enhance knowledge among the private sector entities of Bangladesh on the Green Climate Fund. It also provided a platform to discuss the various challenges and shortcomings that need to be addressed for enabling Bangladesh's private sector entities to access funding from GCF. Based on this, a way forward can be devised comprised of the following points:

The limited institutional capacity and technical knowledge gaps of the private sector and barriers to develop a bankable project proposal pose a challenge. There is no alternative but to develop capacity to the private sector in developing project proposals to access the GCF fund. At the same time, NDA is willing to support the interested entities time to time if they need further clarification and technical assistance.

The NDA secretariat needs to be made more responsive to private sector needs in harnessing international climate finance. NDAs institutional capacity to support interested entities to develop project proposal to access fund from GCF, is a priority. Since the GCF readiness fund