



#CAIP2025

CLIMATE ADAPTATION INVESTMENT PLANNING FORUM 2025

Session 8: Linking CAIP to Global Processes

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#CAIPForum2025
3-4 September 2025
Manila, Philippines

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National Adaptation Plan of Bangladesh (2023-2050)

CAIP FORUM 2025
3-4 September, Manila

AKM Sohel
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07 October 2025



Panellist: Observation Outline



***Climate Change
Adaptation
Financing***



*BCDP: Co-designing
& financing climate
actions*



*Challenges: Climate
Change Adaptation
Financing*

CLIMATE FINANCING FOR SUSTAINABLE DEVELOPMENT

Budget Report 2025-26



07 October 2025





Finance Division, Ministry of Finance
Government of the People's Republic of Bangladesh

Climate Financing from Bangladesh Government's Own Resources

- The Climate Fiscal Framework (CFF) was adopted in 2014, and climate finance accounting and formal reporting began in FY 2017-18.
- In FY 2017-18, the climate budget was USD 1.21 billion, which has increased to USD 3.40 billion in the current FY 2025-2026.
- 46 NAP projects involving USD 1.6bn are in implementation – budget allocation for these projects in the current FY is USD 343.33 million.
- 20 NDC projects involving USD 4.08bn are in implementation – budget allocation for these projects in the current FY is USD 892.35 million.

Climate Change Hazards & Climate Stress Area: NAP

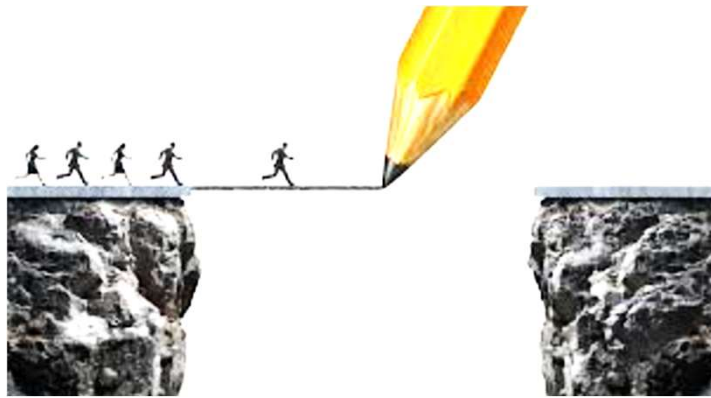
14 Hazards

 Monsoon Flood	 Flash Flood
 Drought	 Salinity
 Storm Surge	 Excess Heat
 Landslide	 River Erosion
 Lightning	 Excess Rainfall
 Cold Spell	 Sea Level Rise
 Urban Flood	 Ocean Acidification



NAP Sectors: 113 Interventions were identified across eight sectors, but remained mostly underfinanced and unimplemented





Widening Climate Finance Gap

Bangladesh requires an estimated amount of USD 230bn to implement the National Adaptation Plan (NAP) **(Annually USD 8.5bn)**

Globally, estimated finance needed for adaptation: **USD 215—387 billion annually up until 2030**
[Section 3, NCQG]

Bangladesh's climate financing gap is widening, now reaching \$ 29.29 billion per year on a timeline through 2030.

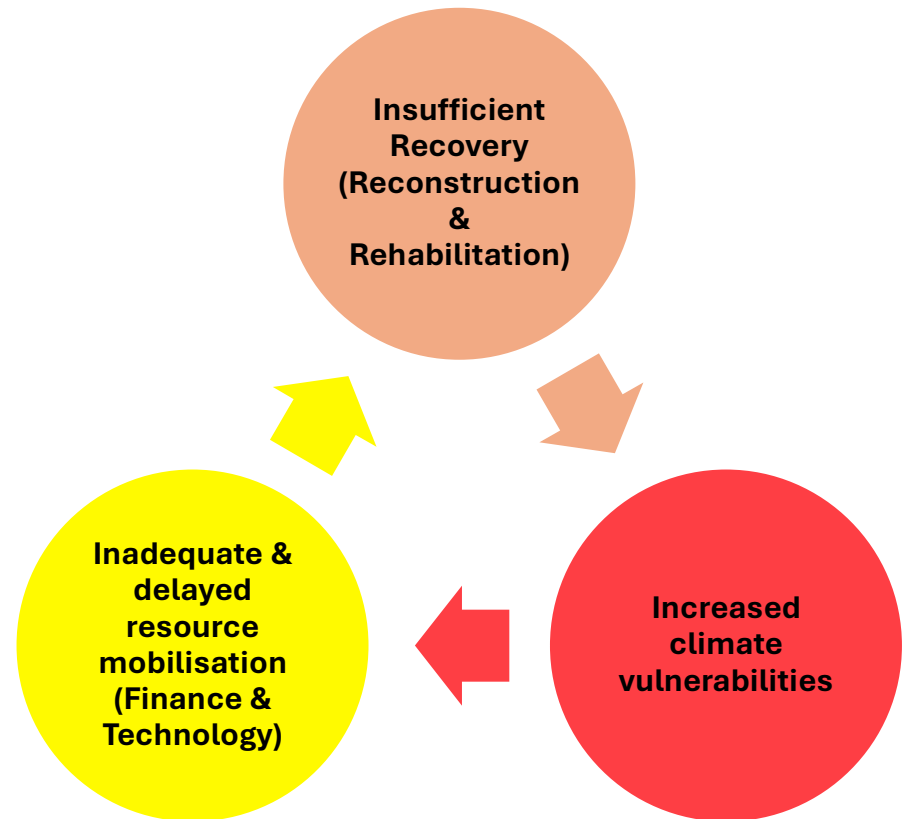
Extreme climatic events have become more unpredictable, frequent, intense and persistent.



Here is the late August 2024 flood in the southwestern districts of Bangladesh, which caused physical loss and damage amounting to approximately 1.2 billion USD.

A vicious cycle of poor climate resilience

RESPONSE



Panellist: Observation Outline



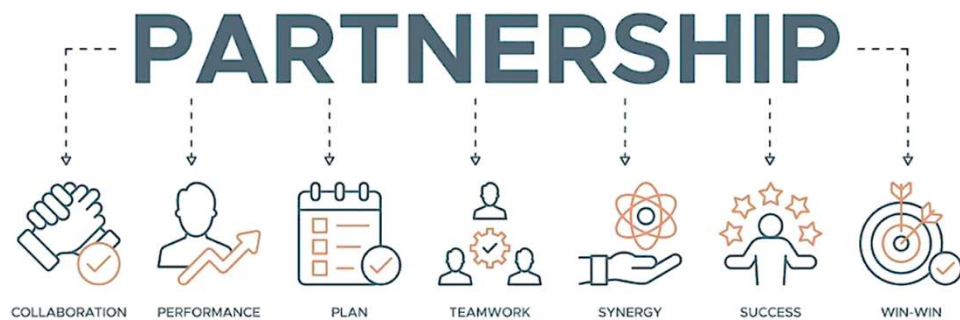
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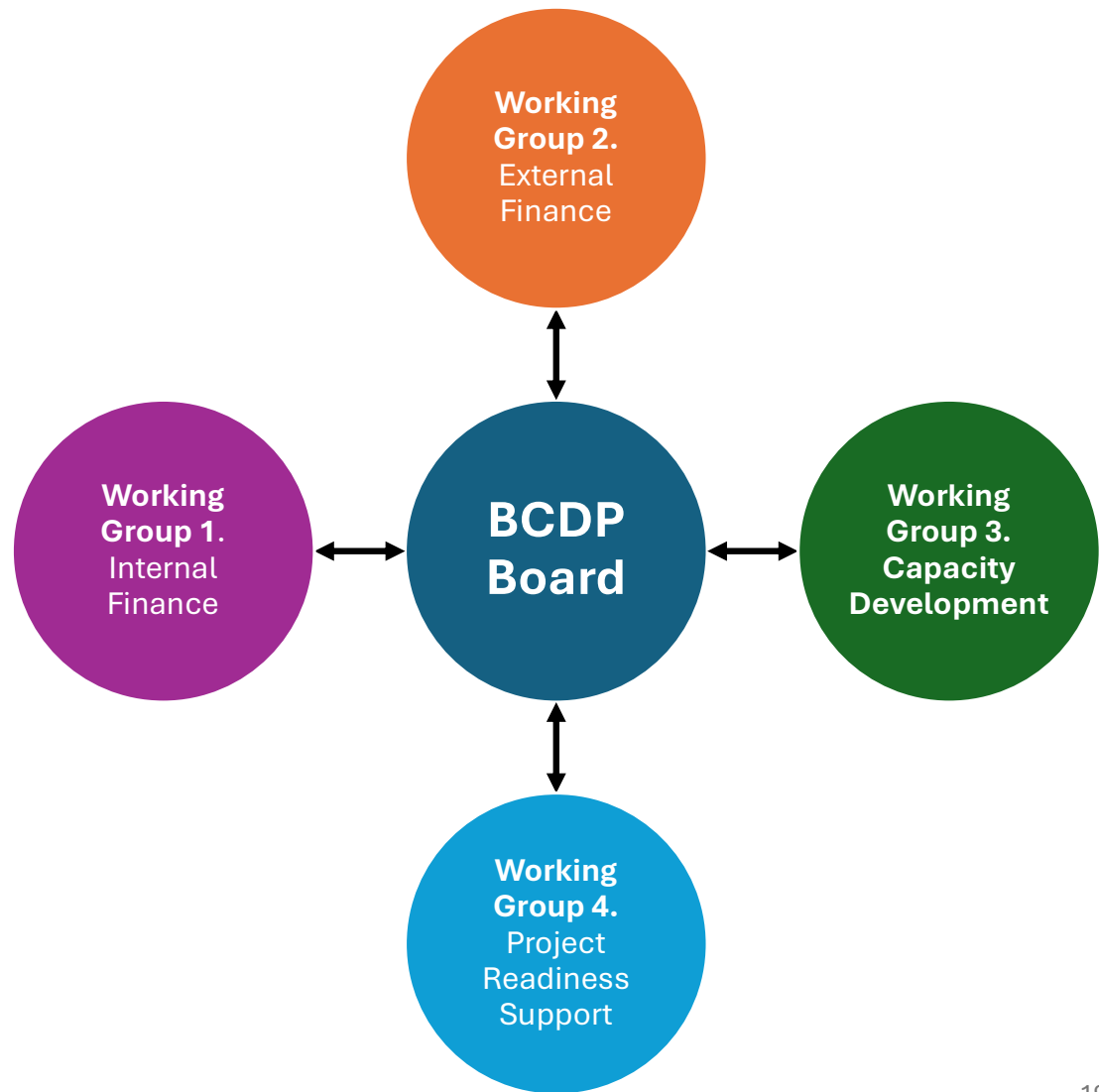


Bangladesh Climate Development Partnership (BCDP)

BCDP Objectives:

- Enable a “whole of government” approach – **co-designing and co-financing** climate solutions involving public and private actors and Development Partners.
- Leverage innovative climate finance mechanisms and instruments
- Enhance coordination and coherence, reducing fragmentation, overlapping and inconsistency.

A Dynamic & Adaptive BCDP Architecture



Panellist: Observation Outline



*Climate Change
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**Challenges: Climate
Change Adaptation
Financing**

CHALLENGE



Let's call a spade a spade – confront the challenge head-on

Resource constraints and competing demands: Increasing poverty, inequality, and inflation rates; a lower tax-GDP ratio and rising public debt – shrinking fiscal space for public investment in adaptation interventions.

Loans or grants – increasing debt burden: Bangladesh's total external debt reached USD 104 billion by the end of the previous fiscal year (2024-2025). In 2023, Bangladesh repaid creditors a total of US\$4.77 billion. In 2024, 16.9% of the national revenue was allocated to external debt repayments, while only 3.08% went to health and 11.73% to education.

'Investment projects' or 'bankability of projects': We do not have good enough examples of revenue-generating adaptation projects, particularly in livelihood protection, health, and public infrastructures needing to be climate-resilient.

MDBs' roles: Recapitalising multilateral development banks (MDBs), scaling concessional financing, deploying innovative instruments (e.g., bonds, equity investment, debt swaps for nature), and leveraging private capital through de-risking strategies.

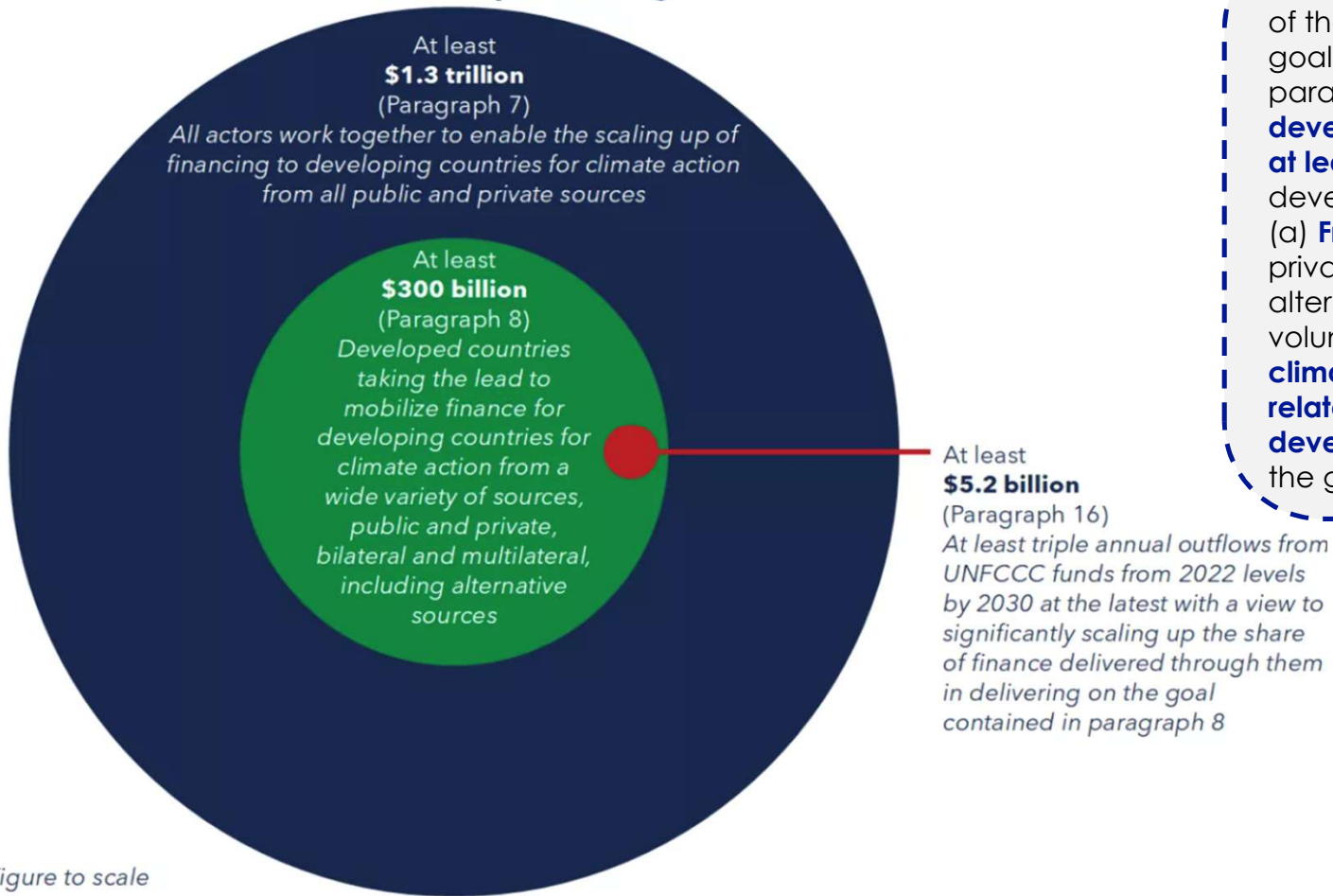
The Roadmap from Baku to Belem: Delivering on the climate finance agenda

Amar Bhattacharya

CAIP Forum 2025
3-4 September 2025

Key outcomes from COP29 on the finance goal

The new collective quantified goal

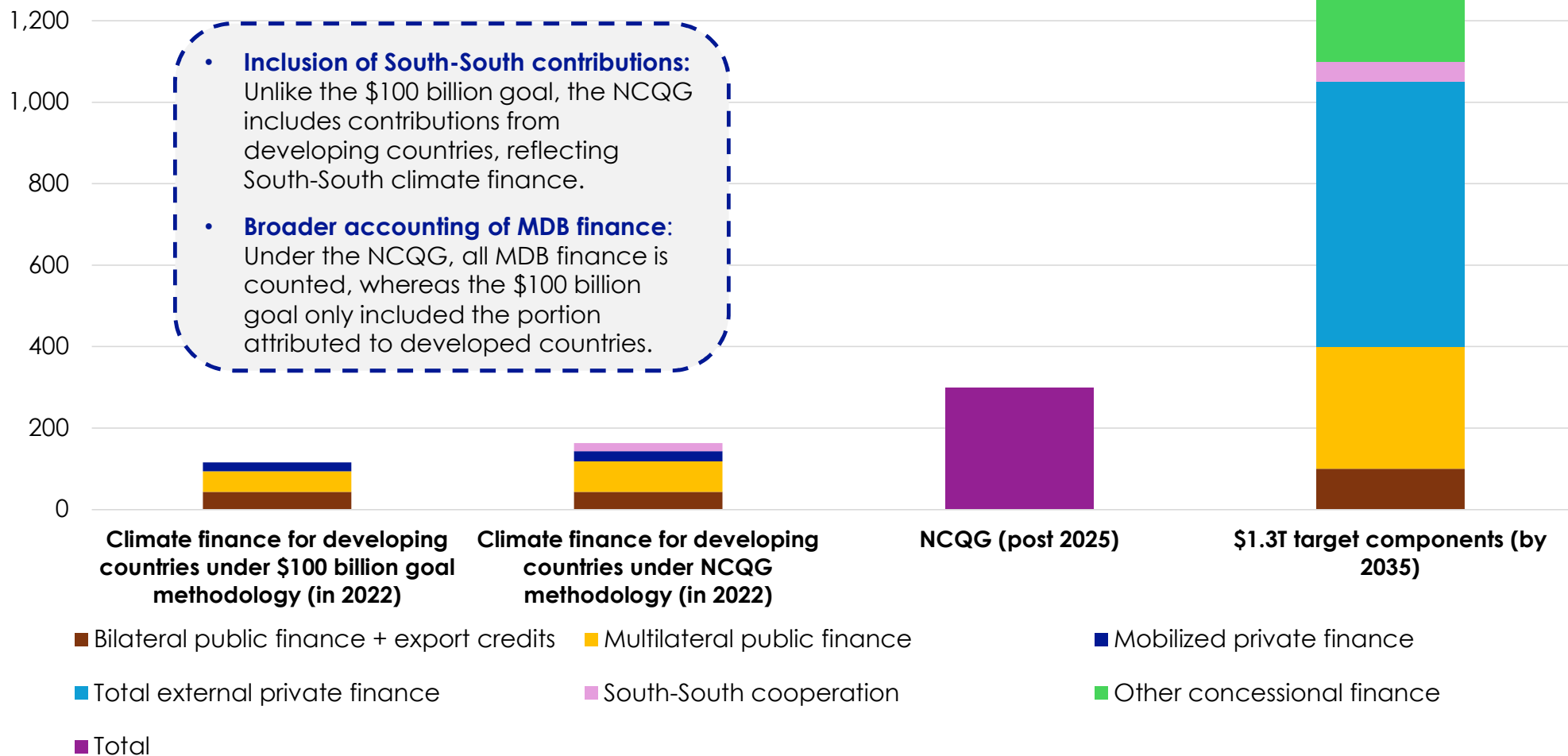


Paragraph 8. Reaffirms, in this context, Article 9 of the Paris Agreement and decides to set a goal, in extension of the goal referred to in paragraph 53 of decision 1/CP.21, **with developed country Parties taking the lead, of at least USD 300 billion per year by 2035** for developing country Parties for climate action: (a) **From a wide variety of sources**, public and private, bilateral and multilateral, including alternative sources; [...]; (c) Recognizing the voluntary intention of Parties to count **all climate-related outflows from and climate-related finance mobilized by multilateral development banks** towards achievement of the goal set forth in this paragraph;

Paragraph 27. Decides to launch, under the guidance of the Presidencies of the sixth and seventh sessions of the CMA, in consultation with Parties, the “**Baku to Belém Roadmap to 1.3T**”, aiming at scaling up climate finance to developing country Parties...

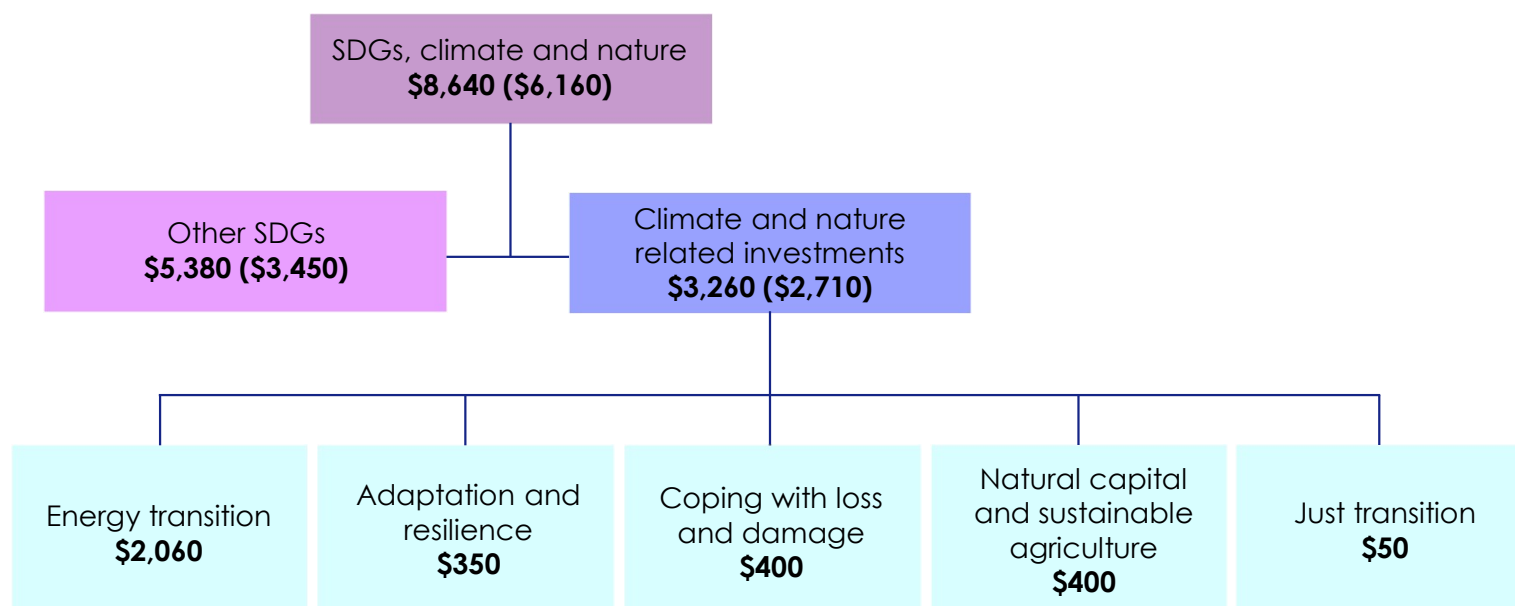
Figure to scale
Source: NRDC/Joe Thwaites

From \$100 billion to \$1.3T: what each goal covers



The investment imperative for 2035

Investment / Spending Requirements for Climate and Sustainable Development
(\$ billion per year by 2035, increment from current in parentheses)

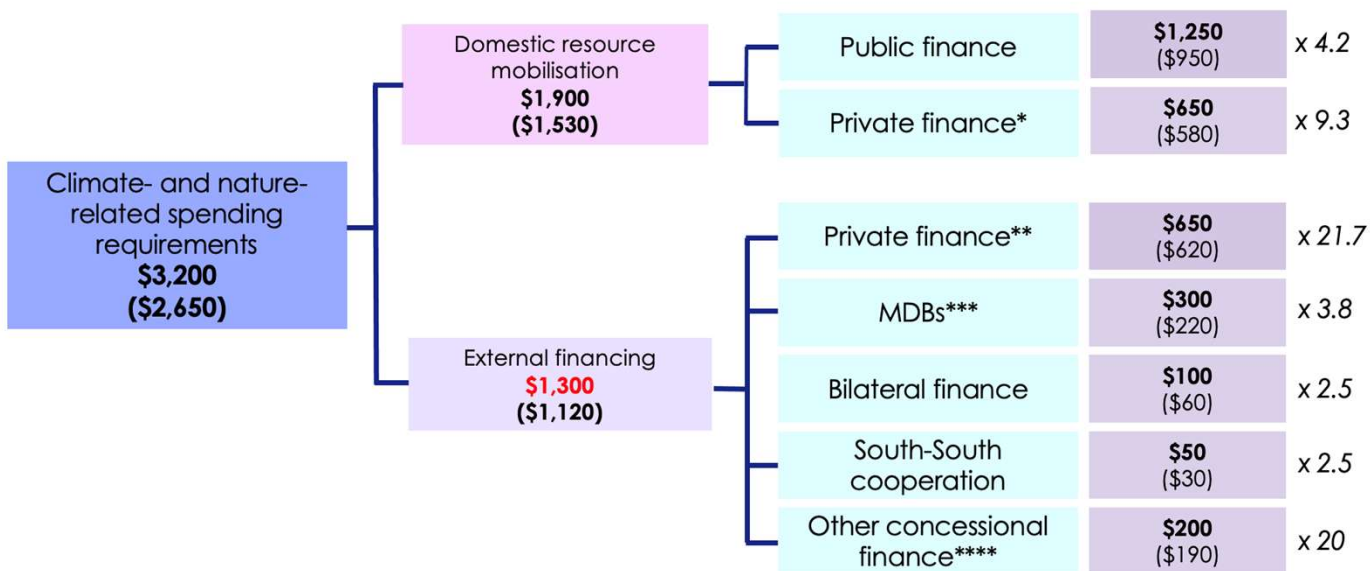


Sources: Bhattacharya et al. (2023), G20 IEG Triple Agenda Report (2023)

Financing implications for 2035 and options

Mobilising the necessary financing for climate in EMDCs other than China

(\$ billion per year by 2035, increment from current in parentheses)



Notes: *Includes household savings. **A significant proportion of this private finance would be directly and indirectly catalysed by MDBs, other development finance institutions and bilateral finance. ***Includes multilateral climate funds. ****Includes international flows from carbon markets and innovative finance including SDRs, debt swaps, and Global Solidarity Levies.

Matching investment needs to the right mix of finance

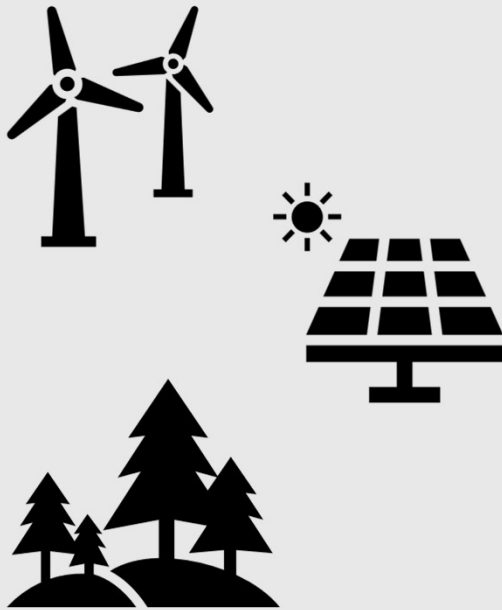
Countries must **utilise the complementary strengths of all sources of finance** - domestic public and private, external private, MDBs, DFIs, and concessional. **Different investment opportunities require different types of capital**, based on risk profile, time horizon, and returns.

Enhancing the quality and impact of finance

Increasing finance alone does not guarantee effective investment. It must be aligned with climate risks, opportunities, and broader sustainability and inclusion goals. **Strategies should ensure that finance is accessible, affordable, and timely for vulnerable groups.**

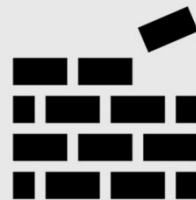
An integrated climate finance agenda

1. Investment and technology as drivers of transformative change



2. Foundations for the \$1.3 trillion target

- a) **Country-led** investment frameworks and country platforms
- b) Tackling **debt and fiscal space**
- c) Boosting **domestic resource mobilization**
- d) Ensuring a **just transition**



3. Delivering on the \$1.3 trillion in external finance

- a) Mobilizing **private finance** at scale and reducing cost of capital
- b) An **MDB and DFI system** that works for climate action and sustainable development
- c) Tapping the potential of **carbon markets**
- d) Delivering and expanding options for **concessional and low-cost finance**
- e) Improving the **regulatory framework** and **enhancing the quality** of climate finance