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KEYS TO CLIMATE ACTION

CHAPTER 2: JUST AND GREEN TRANSITION IN BANGLADESH

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Introduction

With its geographical location sandwiched between the Himalayas in the North and the Bay of Bengal in the South, Bangladesh can be regarded as the ground zero of vulnerability to the increasing impacts of climate change. Recurring climate disasters like floods, cyclones, sea level rise, and salinity intrusion cause huge losses and damages every year in Bangladesh. A country with an area 66 times smaller than the United States houses exactly half of the U.S. population.

Bangladesh has been and continues to be regarded as a test case for sustainable development, particularly when looked at through the lens of environmental sustainability. As a war-torn and devastated country that emerged as an independent nation 50 years ago, Bangladesh has made commendable strides in economic growth and agricultural production. Now it has one of the highest GDP growth rates in the world. However, both poverty and biotic pressure arising from rapid economic growth are pressuring natural resource systems. The influx of more than a million Rohingya refugees has added huge economic, social, and environmental strains. However, with no climate disasters in the past year, Bangladesh can feed itself without much dependence on imports of basic food items.

Globally, the average per capita emissions is 4.5 Mt of CO₂ per year (World Bank, 2019). Compared to that, Bangladesh's 166.3 million people only emit under 1 Mt each; however, total and per capita emissions are rising. In terms of energy, Bangladesh has an adequate capacity for power generation, which continues to be generated mostly with natural gas, a relatively less polluting fossil fuel, but one with limited reserves. In recent years, the Government has scrapped its plan to build coal-fired power plants. The share of renewables is still less than 5 percent of the total energy mix, although Bangladesh has the highest number of solar home systems in the world, numbering around 6 million; however, the amount of grid-connected solar power is still tiny (Chowdhury, 2020).

Following a downturn caused by COVID-19, Bangladesh has engineered a strong recovery, with growth in 2022 and 2023 expected to average 6 percent, a commendable record among developing countries. In terms of disaster management and adaptation, Bangladesh is regarded as a model. Still, given the basic geophysical, social, economic, and environmental parameters, a green and just transition is a gigantic challenge.

In a few years, Bangladesh is set to graduate out of Least Developed Country (LDC) status. It will have to face development challenges, including COVID-19 recovery and Ukraine-war-induced inflation, with less access to concessional international assistance. Although the Government

of Bangladesh has already initiated a plethora of policies, including a second round of the Nationally Determined Contribution, a National Adaptation Plan, and the 10-year Mujib Climate Prosperity Plan Decade 2030, the targets for emission reduction are not very ambitious. In Bangladesh, policymakers have to think of a green economy that includes both brown and green issues and a socially just transition. How can Bangladesh have such a transition? This chapter outlines such a challenge with an approach of realism and practicality.

Conceptual framework for a just and green transition in Bangladesh

A green transition in Bangladesh should mean tackling both brown and green issues with an approach of equity, addressing both pollution and natural resource degradation in a manner that is socially equitable. We call this a just transition (JT) in Bangladesh.

The global need for a climate-resilient, low-carbon economy brought the issue of JT to the fore—from high-emitting industries to cleaner energy and green sectors, the creation of green jobs, and training/retraining of workers in all workplaces and industries. These were meant to address the impacts of mitigation strategies in the process of decarbonization. However, JT must also take care of adaptation responses to climate change. As Bangladesh is not yet a big user of coal or oil, the concept of JT here must be broader than its original version. In Bangladesh, JT relates more to strengthening the resilience and adaptive capacity of climate-impacted communities and rehabilitating displaced people, ensuring support for their livelihoods and income opportunities, rather than to the transition away from fossil fuels in the energy mix.

Dealing with environmental issues is also a part of JT. Environmental problems can arise from market failures, manifesting as negative externalities, or the side effects of economic activities not factored into the pricing of products and services. Taxes/charges can be used for internalizing the externality costs of polluting and resource-depleting activities, so these are also part of the JT (Stern, 2008; Nordhaus, 2018).

There are at least three schools of thought on the relationship between economic growth and pollution. The first is called the environmental Kuznets curve (EKC)—an inverted U-shaped curve showing that, at the initial stage of growth, pollution and degradation levels go up, but with rising income, demand for better environmental quality grows, and the market responds to clean up the mess (Ekins, 1997). The industrial countries traveled this path. The 1987 Brundtland Report "Our Common Future" represents this school of thought, with some modifications, such as less material and less energy-intensive growth, with a focus on the needs of the poor.

The second school argues that ignoring the environmental soundness of growth—even if this leads to short-term gains—will undermine long-term growth and the quality of citizens' lives. This thinking is led by the World Bank and other development agencies (Furtado, 2000). The third school embraces a new way of thinking under Ecological Economics, which emphasizes

the finite realities of nature. According to this thinking, the "part"—the economic sub-system—cannot continue to grow when the "whole" (the global ecosystem) remains non-growing (Daly and Farley, 2011). This school draws a distinction between growth, meaning the physical expansion of a system, and development, which is viewed as an improvement in the quality of the system.

According to this third school of thought, when policymakers talk of "sustainable growth," there is a contradiction in terms. Growth in a finite system, as in a limited, bounded space or in the global ecological system, cannot continue ad infinitum. However, "green or sustainable growth" is sometimes used as shorthand for a process that maintains a balance of economic progress with nature and its resources. In this sense, sustainable development appears to be the right concept, although difficult to operationalize. For example, can we really say that the double-digit growth in Dhaka, the capital city of Bangladesh, has led to an improvement in the quality of life of its citizens? In the yearly Global Liveability Index (EIU, 2022), Dhaka fares poorly year after year. The challenge, then, is how to achieve nationwide growth in a greener and socially equitable way.

Policy-institutional framework

Over the last decades, Bangladesh has developed quite an elaborate set of policies, plans, and strategies. Bangladesh works with a system of five-year plans (FYPs). Currently, in the midst of the eighth FYP (2021–2025), the country will soon start developing the ninth FYP for 2026–2030. There are also long-term plans, such as the Perspective Plan 2041, Mujib Climate Prosperity Plan (2021–2030), and Delta Plan 2100.

In its first Nationally Determined Contribution (NDC), submitted in 2015, Bangladesh had an unconditional commitment to reduce 5 percent of emissions from the business as usual (BAU) scenario by 2030, having 2012 as the base year, but, conditional on international support, it pledged to reduce another 10 percent of its emissions. This NDC covered three sectors—Power, Industry, and Transport. Under the BAU scenario, total greenhouse gas (GHG) emissions were expected to more than double, from 169 Mt CO₂e in 2012 to 409 Mt CO₂e in 2030 (MoEFCC, 2021).

Bangladesh has already submitted an updated NDC in 2021 (MoEFCC, 2021). This NDC covers five sectors and, in the unconditional scenario, GHG emissions would be reduced by 28 Mt CO₂e (6.73 percent) below BAU in 2030 in the five sectors covered: 26 Mt CO₂e (95.4 percent) of this emission reduction will be from the Energy sector, while 0.6 (2.3 percent) and 0.6 (2.2 percent) Mt CO₂e reductions will be from AFOLU (agriculture) and the waste sector, respectively.

However, in the conditional scenario (with international support), GHG emissions would be reduced by 62 Mt CO₂e (15.1 percent) below BAU in 2030 in these sectors. This is in addition to the proposed reductions in the unconditional scenario. The conditional mitigation measures will be implemented by Bangladesh only if there is external financial and technology support.

Under the eighth FYP (2021–2025) and the Climate Fiscal Framework (2020), the Government has plans to impose an environmental and carbon tax by 2025 on a limited scale. This eighth FYP is perceived as a game changer in reducing poverty linked to natural hazards and will prioritize the implementation of the first phase of the Bangladesh Delta Plan (BDP) 2100 (Bangladesh Planning Commission, 2018).

The Mujib Climate Prosperity Plan (MCP) has five key themes: (1) Supplementing and accelerating existing climate change policies, initially exploring the possibility of offshore wind energy and developing project feasibility studies; (2) enabling Bangladesh to become a technological and economic leader, through mobilization of support from global investors; (3) converting the sources of power to high-tech green hydrogen production and similar facilities; (4) attracting global green investment funds for promoting the programs related to domestic

green energy; and (5) building the capacity of the youth by making them technical professionals (CRI, 2021). The key initiatives taken under the MCPP emphasize renewable energy, modernization of the power grid, and emissions trading. The MCPP also reflects the perspective plan of Bangladesh to work on developing climate-resilient, nature-based agriculture and fisheries, consuming less fuel, and developing environmentally friendly transportation and other climate-resilient environmental programs. Under the MCPP, the Government has an ambitious plan to expand renewables by up to 30 percent by 2030 through massive offshore wind energy and solar power. Bangladesh also has an Energy Efficiency and Conservation Master Plan for promoting energy conservation and energy efficiency, which is planned to be implemented in phases.

The Perspective Plan 2021–2041 (PP2041), under its green growth strategy and institutional reforms, covered (a) integrating environmental costs into the macroeconomic framework; (b) implementing the Delta Plan to build resilience and reduce vulnerability to climate change; (c) reducing air and water pollution; (d) removing fuel subsidies; (e) adopting a green tax on fossil fuel consumption; (f) taxing of emissions from industrial units; and (g) preventing surface water pollution.

Institutional framework

It is evident that Bangladesh has worked out an elaborate set of policies, plans, and strategies over the last decades to address natural disasters, environmental protection, and climate change. This structure extends from national to local levels. There is a National Environment Council (NEC) headed by the Prime Minister herself. The Executive Committee of the NEC is headed by the Minister of Environment, Forest and Climate Change (MoEFCC), who also acts as the focal point for the U.N. Framework Convention on Climate Change (UNFCCC). Then there is an elaborate institutional infrastructure for disaster management, stretching down from the national level to sub-district level committees. Apart from government executives, representatives from civil society are also members of all the committees.

There is another important institution—the Sustainable and Renewable Energy Development Authority (SREDA), established a decade ago to promote renewable energy sources. For environmental and climate change management, the Government has established the Bangladesh Climate Change Trust Fund (BCCTF) under a Parliamentary Act of 2010, which is capitalized only with domestic resources. In addition, there is the Bangladesh Climate Change Resilience Fund (BCCRF), which was supported by donor funding. However, the BCCRF has not functioned since 2016 because of disagreements over its joint management by the MoEFCC and the World Bank.

Obstacles in the way of a just and greener Bangladesh

Economic

In Bangladesh, economic growth has been the priority focus for policymaking. For the last three decades, Bangladesh has achieved an average growth rate of around 6 percent. As a result, from the devastated economy inherited after its independence from Pakistan in 1971, Bangladesh has already met all the conditions necessary to graduate out of LDC status. Its per capita income now stands at around U.S. \$2,500, higher than both India and Pakistan. This growth focus continues to drive the national development strategy. In this process, the private sector played the main role, led by the garment sector, which earns over U.S. \$40 billion a year (80 percent of export earnings) and employs more than three million women and girls (Export Performance Bureau, 2022; ILO, 2020). The sector is adopting sustainable practices; Bangladesh has the highest number of Leadership in Energy and Environmental Design (LEED)-certified clean and green garment factories in the world (UNB, 2022).

However, major brown issues of water and air pollution persist. All water bodies are extremely polluted from industrial, poultry, and agricultural activities. The entry of more than a million Rohingya refugees has caused ecological damage in the southeastern part of Bangladesh, where makeshift rehabilitation shelters have been built. Now, about 28,000 refugees have been settled in Bhasan Char, a newly emerged sandbar of land along the bank of the Bay of Bengal (UNHCR, 2022). The Government of Bangladesh plans to resettle up to 100,000 refugees in Bhasan Char

However, not all the news is bad. Forest cover has gone up and now stands at around 20 percent of Bangladesh (Department of Forest, 2016). Agricultural productivity has risen, with mechanization based on endogenous technologies bringing efficiency in the use of water, fertilizer, and energy. Absent any major disaster, Bangladesh is self-sufficient in food production. But a natural disaster happens almost every year, so food imports continue.

Investment patterns in adaptation and mitigation in Bangladesh

From the perspective of climate change impacts, the geographic location of Bangladesh is very disadvantageous. All assessments rank Bangladesh as one of the top ten most vulnerable countries in the world. The country currently loses around 1.1 percent of its GDP a year due to

climate events, which may rise to 2 percent per year by 2050 (Bangladesh Planning Commission, 2018). The Government spends 6 to 7 percent of its annual budget (about U.S. \$1 billion) on climate change adaptation, with more than 75 percent of this amount coming from domestic sources (MoF, 2021). The adaptation finance needs would undoubtedly increase with slow onset and frequent extreme events. Figure 2.1 below shows the institutional set-up of financing for addressing climate change in Bangladesh. The Government of Bangladesh (GoB) mobilizes climate finance from six main international and domestic sources: (1) Revenue budget, (2) Annual Development Programme (ADP), (3) Bangladesh Climate Change Trust Fund (government fund), (4) Bangladesh Climate Change Resilience Fund (donor funds), (5) multilateral climate funds, and (6) bilateral and multilateral development bank funds.

Domestic climate funding in Bangladesh

The NDC estimates the amount required for mitigation activities. Through 2030, it estimates that for implementation of the conditional part of the updated NDC, mitigation activities will cost about U.S. \$14 billion per year, of which about 95% is estimated as the need for support in the energy sector only (MoEFCC, 2021). On the other hand, the NAP of Bangladesh defined a total investment of U.S. \$230 billion for 27 years (2023-2050), an implementation period that runs until the 13th Five Year Planning cycle of Bangladesh. The NAP proposes to mobilize around 72.5 percent of the total investment cost by 2040. Developing climate resilience will require seven times the current spending to transform adaptation, at a rate of \$8.5 billion per year, with \$6.0 billion per year from external sources or international climate funds and development partners (MoEFCC, 2022). The World Bank (2010) reports that super-cyclonic storms (with winds greater than 220 km/hour) have a return period of around ten years; currently, a single such storm would result in damage and losses averaging 2.4 percent of GDP. An International Institute for Environment and Development (IIED) study reports that to protect against frequent climate disasters, the households of Bangladesh have already invested U.S. \$2 billion (Eskander and Steele, 2020).

The domestic budget that is allocated for climate financing has proved to be more effective than official development assistance (ODA), as it uses local institutions. It is oriented toward five thematic areas: (1) Food security, social protection, and health; (2) comprehensive disaster management; (3) infrastructure research and knowledge management; (4) mitigation and low carbon development; (5) capacity building and institutional strengthening.

GoB has introduced a budget line for climate investments in its ADP and in FY2020-21. Twenty-five ministries were allocated budgets for such activities, which amounts to 7.26 percent of the annual development plan (MoF, 2021). A study conducted by Rahman et al. (2020) states that, between 2009 and 2017, 61 percent of climate adaptation development funds, amounting to

around U.S. \$3.7 billion, were sourced domestically (BCCTF- and ADP-based funds).

Inflow of international finance in Bangladesh

Developed countries have assumed obligatory responsibilities to financially support vulnerable developing countries under the UNFCCC and the Paris Agreement. Priority is given to the LDCs and Small Island Developing States (SIDS). Bangladesh receives climate funding from various multilateral and bilateral sources, but international support is dwarfed by Bangladesh's own domestic resources. Rahman et al. (2020) calculated that from 2009-2017, the GoB cumulatively allocated U.S. \$3.7 billion to climate change funding, mostly funded by international agencies, such as the World Bank (\$1.2 billion), Japan (\$234 million), the Asian Development Bank (\$239 million), the International Fund for Agricultural Development (\$238 million), the UK Department for International Development (\$132 million), and the World Food Program (\$129 million).

Although Bangladesh receives comparatively more than other LDCs for climate-related projects, the money invested is inadequate to offset climate change impacts and vulnerabilities as well as other economic and social priorities, so lack of finance pushes the country back in its quest for green and climate-resilient growth. The mobilization of international climate/adaptation finance is too slow. Foreign aid is going down, and Bangladesh now receives less than 1 percent of its GDP in total aid (OECD, 2020; World Bank, 2021).

As is evident from the above data, about 75 percent of investments in climate change management come from domestic sources (MoF, 2021). Once Bangladesh graduates from LDC status, foreign aid will go down even more. Therefore, there is a challenge for the government and the private sector to mobilize international investments on a competitive basis.

External debt

Bangladesh's external debt is around 20 percent of 2021 GDP and is mostly from official creditors on concessional terms. As of March 2022, multilateral debt constituted 61 percent of Bangladesh's total external debt, while bilateral debt was about 39 percent (Ministry of Finance, GoB, 2022). The sustainable debt outlook of the country is attributable to robust GDP growth rates and a prudent fiscal policy that consistently maintains a deficit of around 5 percent of GDP.

External total public and publicly guaranteed (PPG) debt stood at U.S. \$62 billion in FY21. This debt has helped finance infrastructure projects and is expected to decrease gradually to about 11.6 percent of GDP by 2042 (World Bank Group, 2022). The large share of concessional

external borrowing has helped the external PPG debt-to-GDP ratio remain on a downward path. Therefore, the risk of external debt distress for Bangladesh is still low.

Domestic debt

Overall, the public debt-to-GDP, amounting to U.S. \$147.8 billion (41.4 percent in FY2021), is expected to stabilize by FY2031 (World Bank Group, 2022). The majority of public debt over the last decade is domestic and denominated in local currency. The external debt burden has changed little over the last decade, but the domestic debt burden has risen in the last two years (World Bank Group, 2022). The main reason is the building of the Padma Bridge based on domestic borrowing. Roughly half of the outstanding domestic debt is composed of National Savings Certificates (World Bank Group, 2022).

Political

The political leadership remains committed to economic growth and is also very active in environment and climate diplomacy. However, most elected parliamentarians are former businessmen and corporate leaders. Bangladeshi business is not yet well aligned with green economy thinking, and the private sector response has not been encouraging so far, except in the export-oriented garment sector. Therefore, there is a need for the Government to nudge businesses to follow a green and climate-resilient trajectory by adding fresh policy prescriptions to support green banking and green funds.

The governance process around policy change and public financing is not very transparent and accountable. Lack of inter-ministerial and inter-agency cooperation results in institutional weaknesses in the whole process. There is some pressure from civil society that is growing in recent times.

Environmental

With its physical and socio-economic parameters, Bangladesh presents a test case of sustainable development. About 165 million people, exactly half of the U.S. population, live in a territory that is just 1.5 percent the size of the United States. Obviously, the population-resource base is very imbalanced and tends to surpass the carrying capacity of the source and sink functions of nature. So the importance of a sound policy-management framework cannot be over-emphasized in Bangladesh. Both the brown issues (the pollution from all types of economic activities) and the green issues (the degradation of the natural resource base) are extremely challenging for Bangladesh.

The industrial world and even many developing countries now apply more economic and social instruments for environmental management. Based on the polluter-pays principle, many countries have successfully introduced green/carbon taxes. Bangladesh's fiscal framework and budget contain some incentives and tax provisions encouraging or discouraging domestic production or import of goods that can be tailored to incentivize green production. Community participation in resource protection has been accepted at the policy level, but implementation details lack clarity and direction, so genuine participation on the part of communities is not yet an active process.

However, the last decade saw some consolidation of the policy-legal and institutional framework of environmental management. During this time, the most important environment and climate-change-related policies and regulations were adopted. In climate change management, Bangladesh stands out as a leader among the least developed and many other developing countries in terms of mainstreaming climate change considerations into its development plans and strategies. This has evolved to ensure its physical survival. For the right reasons, Bangladesh is looked at by the world as a model or teacher of adaptation and disaster management (Moon, 2019). Forest cover also has increased significantly over the last two decades, with almost 17 percent of land being under forest cover (DoF, 2016).

However, in terms of brown pollution, which greatly impacts environmental health, Bangladesh has not yet reached the plateau of the environmental Kuznets curve. For example, rapid growth in Dhaka cannot be said to lead to sustainable development in terms of improving the quality of life of its citizens (Khan, 2019). However, there is recognition in the latest GoB plans that more should be done to embrace environmental protection simultaneously with rapid economic growth. There are policy pronouncements about imposing higher penalties for violation of environmental rules, as well as an intent to impose environmental taxes. Therefore, there are reflections of the thought that both the environment and long-run growth can progress together through a sustainable development approach. It can be expected that the pollution curve will start bending down in the next few years as demand for better environmental quality will ramp up from civil society groups. But we are still far from the ecological school of thought, where the focus will be on qualitative development, rather than quantitative growth. This may happen after 2040 when Bangladesh hopes to reach developed country status.

How to strengthen policies to support sustainable development

As discussed above, growth is the priority for policymakers, and this is likely to continue for at least the next decade. Bangladesh has also fared well in the social dimensions of sustainable development compared to other South Asian countries, for example, in child mortality, girls' education, and female empowerment through employment. But adding environmental sustainability as an equal priority remains the greatest challenge. Integrating all three dimensions of sustainable development into a single set of policies, plans, and strategies and then effectively implementing and enforcing the program is the core priority for Bangladesh. Along this track, a set of recommendations follows.

First, there is a need to improve the governance process, with active stakeholder participation, not just of the private sector, but also of civil society, without any political or other biases. The need is to ensure a balance of both top-down as well as bottom-up approaches, which can ensure better transparency and accountability in the whole governance process.

Second, domestic resource mobilization must be given added focus. For example, the tax-to-GDP ratio, now standing at around 8 percent, is among the lowest in Asia and needs to be improved (CEIC, 2021). Once this ratio improves, the domestic debt burden for financing development projects will go down. Here, further digitalization of tax payments, citizen budgeting, and involvement of civil society to ensure due diligence and participation of representatives from the National Board of Revenue should be initiated.

Third, public-private partnerships need to be taken to scale to mobilize additional finance, building on the experiences to date of infrastructure financing.

Fourth, civil society organizations (CSOs) have to work with and mobilize the private sector, particularly in the garment sector, which already has the world's highest number of green factories and is showing dynamism in moving further toward sustainable production (UNB, 2022). Mobilizing green technology to control brown pollution is a priority that could turn the whole garment sector into a model for other countries.

Fifth, local capital markets must be developed to provide green or climate bond instruments, which would permit sustainable development financing to shift away from bank loans which are still the dominant form of finance. The GoB already has a draft policy for introducing green

bonds but needs to provide incentives to encourage sustainable development, for example, through reduction of corporate tax or making such investments tax deductible.

Sixth, higher investments will be needed to scale market-driven skill development programs, especially in technical education and public health. A new generation of young workers with better skills and with green thinking might even move under bilateral agreements to industrial countries facing negative population growth. This can be a win-win option both for the host and sending countries, especially if climate-induced pressures to migrate rise (Khan et al., 2021).

Seventh, climate-resilient migrant-friendly towns should be established to divert those displaced by climate disasters away from Dhaka and other big cities, which are already overcrowded. The International Centre for Climate Change and Development (ICCCAD) at Independent University, Bangladesh, is working in partnership with BRAC and several municipal authorities to develop sustainable towns.

Eighth, a massive drive to green urban spaces needs to be undertaken. Many cities, including Dhaka, the capital city, do not have the minimum greenery for a healthy life. By contrast, rural areas in Bangladesh are fully green, particularly homestead forests, which provide livelihood opportunities to rural households. Singapore or selected Japanese cities may serve as models of what can be done with limited spaces under well-planned city landscaping.

Ninth, strengthening regional cooperation is a must in South Asia, particularly in introducing a regional electricity market and harnessing the huge hydro-power potential on a regional basis. Discussion on these issues has been ongoing for many years, but without forward progress, mainly because of Indian insistence on restricting the dialogue to bilateral dealings. However, if economic benefits, rather than political-strategic considerations, take precedence, there is scope to move faster.

Finally, strengthening international cooperation in mobilizing finance must be a priority, particularly for scaling solar and wind power, as envisaged in the MCPP. As Bangladesh is formally graduating soon from its LDC status, foreign aid will likely go down, and Bangladesh will have to compete with others to mobilize international loans at affordable terms. To do this, the country should devise a well-considered green investment plan in partnership with both bilateral and multilateral donors. The investments must be made in areas with revenue-generating potential so that the debt burden does not become excessive. Where climate and nature-based projects do not generate revenue in immediate terms, Bangladesh can advocate for non-debt-creating financing instruments, like debt for adaptation and nature swaps, which are gaining ground internationally (Khan et al., 2020).

Conclusion

As mentioned, rapid economic growth and social protection are the priorities in Bangladesh, with the environment considered an issue to be tackled once the country is more prosperous. There is some consideration of ideas contained in the second school of the economy-environment relationship, namely to build sustainability into all development projects and thereby maximize long-term growth. This could be seen as a win-win option. But it has not yet gained much traction because of a lack of confidence in implementation capacity. Actually, there is not yet a strong culture of transparency and accountability in Bangladesh. Although there is talk of environmental governance and participatory process in decision making, this is far from the expected reality. An example of process weaknesses is the management of BCCTF projects, where the decision making Steering Committee is dominated by senior GoB officials, with only a few CSO representatives, who are not strong independent voices. So there are few checks and balances on the Executive to ensure stronger management and governance of development spending.

Some weakness in implementation is seen in other aspects of the institutional set-up. There are numerous government policies and plans that outline the mission and objectives of moving to a green transition, but without a clear direction for next steps. The policies prescribe Do's and Don'ts, rather than giving specific guidance to follow through. For example, although there is mention of environmental taxes in the latest policies and plans, based on the polluter-pays principle, there is no application yet in Bangladesh, even though many other countries have successfully introduced green/carbon taxes. As another example, the climate framework of the policy regime is regulatory in nature. The Environment Conservation Act is a detailed instrument of control and regulation, but the standards and penalties contained in the Act often are not enforceable, efficient, or effective. Community participation in resource protection has been accepted as a management tool at the policy level, but the statements lack clarity and direction and are full of ambiguities. For example, the Forest Policy states the need to establish a triangular partnership among the Forest Department, communities, and NGOs, but how the partnership should function is not well explained.

Finally, we must say that 50 years is not a long time for a rapidly developing country like Bangladesh. From a totally war-ravaged country, Bangladesh has achieved quite good progress in its economic and social parameters. The environmental dimension of sustainable development has been its weakest point. This now threatens the vision of Prime Minister Sheikh Hasina to make Bangladesh a developed country by 2041. Doing that would require a consistent economic growth rate of 8 percent per year, leading to a per capita GDP of over U.S. \$12,000 in current prices (Huq and Khan, 2021). The million-dollar question is whether such an

uninterrupted trajectory of rapid growth can be ensured while maintaining environmental sustainability. This is a hard question, but we believe, given a transparent and accountable system of governance involving the GoB, an independent and strong civil society, and the private sector, enough space can be found for win-win options to realize the vision of sustainable development in the next two decades.

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