



Climate Finance Integrity Programme (CFIP) Evaluation

Final Report

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Executive Summary

Background

Transparency International (TI) operates the Climate Finance Integrity programme (CFIP). This programme aims to promote better transparency, accountability and integrity in the decision-making processes and operation of climate financing institutions and mechanisms. In the initial phase, the programme is being implemented in nine pilot countries: Bangladesh, Dominican Republic, Kenya, Maldives, Mexico, Indonesia, Papua New Guinea, Peru and Vietnam. TI has national chapters in these countries and in others. Three different projects are currently jointly implemented under the umbrella of the programme, these are: “Strengthening Transparency, Accountability and Integrity in Climate Finance Governance (CFG)”, “Forest Anticorruption Solutions and Advocacy within the Forest Governance Integrity Programme (FASA)” and “Civil Society Capacity Building for Preventive Anti-Corruption Measures in Reducing Emissions through Deforestation and Degradation Mechanisms (PAC-REDD)”. The main donors are the German Ministry of Environment and the Norwegian Agency for Development Cooperation with total funding of €4.38m. The three individual projects predate the overarching programme and the decision to group them was adopted in 2013 as a result of TI’s assessment of the optimum future direction for their work on this issue. The outputs and desired results and impacts of the projects are described in detail in the body of the report but the core of the work has been to map and develop knowledge of climate finance risks among national level stakeholders and to influence the design and implementation of climate finance programmes at both the national and international level.

Triple E has been commissioned to carry out an evaluation of the programme. Two chapters were visited: Indonesia and Mexico, whilst the other chapters were interviewed by telephone or Skype. We also interviewed staff of the TI Secretariat (TI-S) in Berlin plus external stakeholders. The Evaluation consisted of a backward looking, i.e. achievements to date and lessons learnt from the three individual projects, and a forward looking component, i.e. what are the options for continuing the work focussing on the overarching programme as a whole. The evaluation focusses more on the actions and options for TI-S rather than on the detailed actions of the Chapters.

Performance of the Programme

There is general recognition of the need to address international climate finance integrity issues and that TI is in a unique position to play that role. The Programme was an appropriate and timely answer to serious potential corruption. However, the expected increase in international climate finance has not taken place yet, which makes the program more prevention-oriented, rather than directly fighting corruption. Some outsiders consider this as ‘too abstract’, which affects the programme’s performance. TI’s expertise in accountability, transparency and (anti) corruption is clearly complementary to other NGOs that are more focused on climate change, or forest management. There is room for improvement on how to spread the TI core competences into new fields and towards new actors.

There are many differences between the activities of the various chapters, which are logical given the different issues that are at stake in the various countries. The conclusion is that the programme is addressing relevant issues with a series of different strategies. There are a limited number of international issues that require a joint and similar approach, but the variation in the nature and

relative importance of the issues at a national level implies the need for a more diverse approach, that reflects this variation in national priorities. The approach has in general recognised and respected the national differences, however the most important tools (Manual and E-tool) could have been better adapted to these differences. This combined with the rather complex set up, with new and old projects only later brought under the overall CFI programme, made tracking of outcome and impact complicated.

TI has done remarkably well in realising a large number of different outputs ranging from people trained on climate finance issues, advocacy campaigns to research and contributions to new legislation. It is more difficult to assess what the high level outcomes and impact have been. There is some scattered evidence on civil society acting as an effective watchdog on climate finance issues and of improved legislation and enforcement to prevent or identify corruption. In general, in the nine countries where the programme is active there is increased awareness. However, it is too early to indicate whether carbon and climate finance markets function more transparently and if there is an overall increase in transparency and accountability. This is not unexpected given the pilot phase of the program and the early stage of climate finance in most countries.

In terms of efficiency TI faced some delays in starting up the programme as new specialised staff needed to be contracted. The start-up problems were overcome and the programme gained momentum in different ways in the different countries. Not all chapters were equally successful, this was often due to local circumstances such as a relative lack of available expertise. TI-S support was generally considered to be helpful, but the need for diversification is becoming increasingly clear, calling for a change in approach in the next phase.

Options for the Future

The main conclusion is that the programme functioned well, with a flexible approach, as a pilot during a period of rapidly changing context, but some fundamental rethinking of the programme is needed in light of the different issues at stake in the different countries. The most important recommendations that we would like to highlight are:

1. The theme of Climate finance integrity is, and will remain, relevant:

Both inside and outside TI there was some trouble in explaining the program and gaining support for it. Only those active in the climate finance world saw the need for the programme as self-evident. The lack of an international climate agreement caused a lower than expected flow in climate funds, causing low external support for the program. Prevention is often very efficient but never popular. Most stakeholders (and we) do not see an international agreement (hence major cash flows, hence major fraud potential) approaching anytime soon. But the climate problem is undeniable, and the flow of money will likely happen, sooner or later. We think that there is a need to have systems and capacity in place to monitor those funds which have and are being spent (e.g. the Fast Start finance and on-going bilateral flows). There is also a need to ensure that the current actions to set up national and global funds / institutions to handle climate funds are influenced in a way which promotes best practice in terms of transparency. Therefore the continuation of the program is justified.

2. Put the countries or regions in a more leading role:

We advise the secretariat to move from central steering and management of the program more towards a central service point. Interested countries or regions can ask the secretariat for services that can be executed more efficiently at central level (e.g. following the international developments, writing technical documents, doing some global lobby work and fundraising) but the interested chapters or regions should design their own projects best suited to their own needs. The main risk of this approach is that the momentum (initiated by TI-S) could be lost, and also the very positive inter-chapter cooperation could become more complicated.

3. **Make a better distinction in the needs and approach between the different steps in the whole climate finance ‘donor till project’ cycle; The final step from (local government) to ‘real’ projects requires a different approach. Forestry projects illustrate this best.** In some chapters forest management integrity issues play a dominant role. REDD+ is directly related to forest management. But part of the transparency issues in REDD+ are more at International or national level (e.g. setting up climate funds, national climate finance regulation and national accounting systems), and are especially relevant in this early stage of REDD development. At project level however the corruption risks are both classical forest management issues and CO₂ transparency. These project issues have a more local focus and require other skills and intervention methods. We think both activities can be organised in one programme or project only if the differences are very clearly recognised.

4. **More attention on TI’s core competences around anti-corruption. Climate finance integrity needs to be mainstreamed / combined with the core financial and legislative knowledge that TI possesses:**

A large part of the attention in the program is on local capacity building and mapping of climate finance risks. Both are good activities that will remain valuable. But the core strength of TI and its distinctive position is its knowledge on transparency. We think that after the pilot phase the need for legislative and financial knowledge in the program will increase and that a clear focus on TI’s unique transparency knowledge must be better integrated. Many transparency issues are also related to governmental budgeting procedures; climate finance as well. TI worldwide has a very deep knowledge on these issues and has many tools that can be applied to the problems of climate finance.

5. **Improve links with other NGOs and ensure these are well reported:**

At a chapter level some of the most impressive outputs appear to come from close cooperation with other NGOs. These need to be clearly reported. At the global level TI should take a more active approach to engaging with the NGO community active in climate change finance. This would be easiest to achieve with a location based advocacy team, with the locations reflecting the global location of the main debates (e.g. Washington, Brussels).

6. **Develop a ‘climate finance risk index’:**

Capturing data on the ultimate desired impact of the work of TI in climate finance risk is difficult. But it could considerably increase the visibility and impact of the work. We recommend attempting to develop a state by state climate finance risk index as a way of highlighting the issue and tracking future impact. This could utilise a combination of TI’s core product and the mapping work done to date.

1 Background and Context

1.1 Climate Finance Integrity

1.1.1 International Climate Finance

Climate finance is high on the agenda in recent (international) climate negotiations. During the UNFCCC COP-15 negotiations in Copenhagen (2009), a general commitment was concluded by the developed countries to jointly mobilise \$100 billion per year by 2020 to support developing countries in their needs for meaningful climate mitigation and adaptation actions. Between 2010 and 2012, developed countries have allocated a total of \$30 billion as Fast Start Finance towards developing countries' climate efforts. The Green Climate Fund (GCF) has been set up as the main multilateral financing mechanism to support long-term climate action in developing countries. However, the precise volume of finance that will be channelled through the GCF remains unclear. Over time it might manage tens of billions of dollars per year. This would be more than the pledges to multilateral funds that exist today, such as the Climate Investment Funds (CIFs) or the Global Environment Facility (GEF).¹ Besides the multilateral funds, many national and regional climate finance programmes are also running. Other stakeholders such as the private sector also play a role in many programmes. Estimations of mitigation finance alone have been estimated at up to \$700 billion by 2020² although it seems unlikely today that these amounts will be achieved.

1.1.2 Reducing Emissions from Deforestation and Forest Degradation (REDD+)

Abatement of forest-based greenhouse gas (GHG) emissions is essential in limiting the global warming effect. The IPCC has estimated that deforestation and forest degradation contributes 17% of the global emissions.³ REDD+ is an effort by the UNFCCC to address this issue. It aims to halt and reverse deforestation in developing countries, particularly in the tropics and forest-rich countries. A REDD+ mechanism is being developed to provide financial incentives and rewards for such reductions. Over US\$4 billion has already been pledged to finance the implementation of the programme. In addition the REDD+ desk was established in 2008 as a forum of REDD+ stakeholder groups to provide links between actors on the ground and the key institutions working at larger scales for strategic dialogue, capacity building and coordination of readiness activities and support. The World Bank FCPF, UN REDD+ Programme, and other key actors in REDD+ readiness are represented on this Advisory Committee.

The UN's REDD+ programme involves three phases: 1) development of national strategies or action plans, policies and measures, and capacity building; 2) implementation of national policies and measures and national strategies or action plans that could involve further capacity building, technology, development and transfer, and results-based demonstration activities; 3) results-based actions that should be fully measured, reported and verified. It has initially started with nine pilot countries and is now being implemented by another 20 partner countries. Many countries have called for scaled-up action to build capacity and readiness to implement the REDD+ programme on a national level.

¹ ODI 2012 <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7918.pdf>; CFU 2012 <http://www.climatefundupdate.org/global-trends/10-things-to-know-about-climate-finance-in-2012>

² TI 2011 Global Corruption Report: Climate Change

³ <http://www.unep.org/forests/Portals/142/docs/UN-REDD%20Programme%20Strategy.pdf>

1.1.3 *Susceptibility to Corruption*

Good governance is crucial to ensure that these large sums of climate-earmarked finance are successfully allocated towards the mitigation and adaptation strategies that are needed to curb extreme climate change and its consequences. Climate finance is susceptible to corruption for several reasons. It involves large amounts of upfront capital, while legislation and processes for governing and allocating this capital are still being developed. The level of complexity and uncertainty is high, and leaves a lot of room for grey areas and loopholes. In addition, climate finance has a very extensive scope and diversity of policy issues with this diversity making high level oversight complex. While the international summits receive a lot of attention, other fora and actors of equal or perhaps more importance are less visible. The sense of urgency and pressure to fast-track solutions limits the capacity to develop and implement measures. Lastly, those most affected by climate change are also often among the most marginalised in the political system. Strengthening participation of these groups is critical to the success of climate actions.⁴

1.2 The Role of Transparency International

Transparency International (TI) is the global civil society organisation leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, TI raises awareness of the damaging effects of corruption and works with partners in government, business and civil society to develop and implement effective measures to tackle it. In response to a series of international events starting with the Global Corruption Report on Climate Change of June 2011, the international secretariat of TI decided to start a Climate Finance Integrity Programme. This programme began in the form of three separate projects with these being combined into one overarching programme in 2013.

1.2.1 *TI's Climate Finance Integrity Programme*

TI's Climate Finance Integrity programme aims to promote better transparency, accountability, and integrity in decision-making processes and operations of climate financing institutions and mechanisms. The programme aims to enable climate governance stakeholders to support the development and implementation of global and national climate policies and builds on TI's anti-corruption experience and tools. In the initial phase, the programme is being implemented in nine pilot countries: Bangladesh, Dominican Republic, Kenya, Maldives, Mexico, Indonesia, Papua New Guinea, Peru and Vietnam.

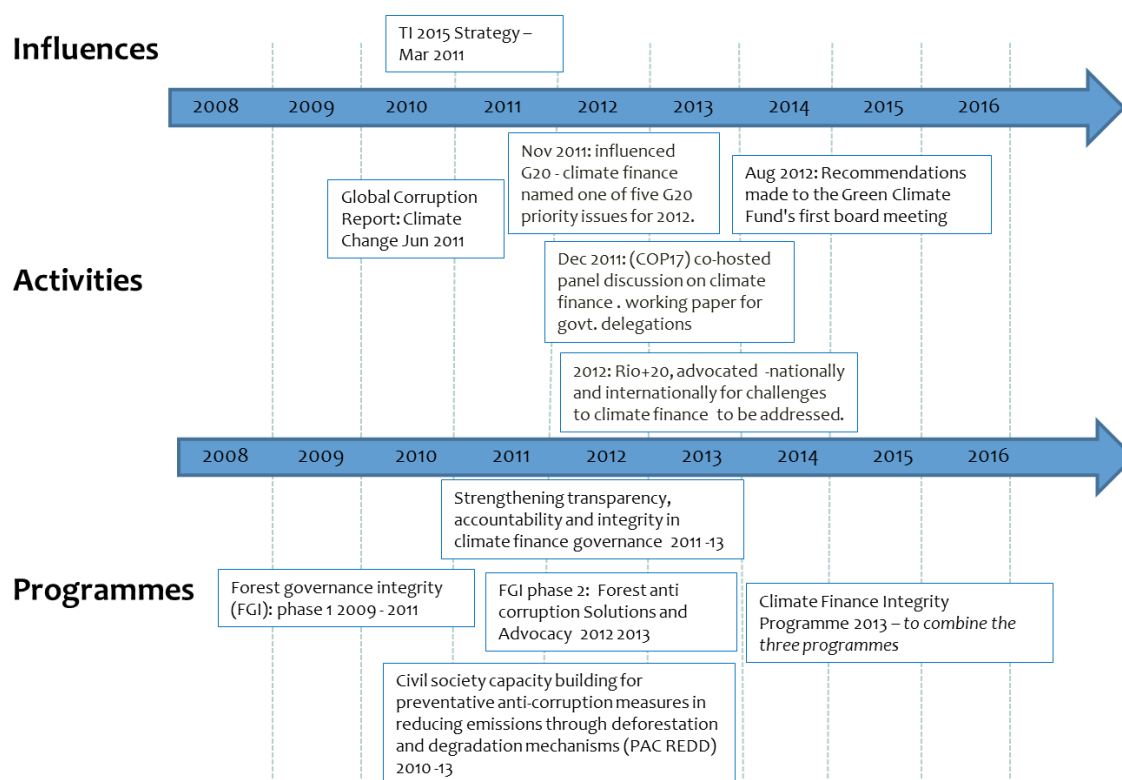
The **key assumptions behind the Climate Finance Integrity Programme (CFIP)** are:

- International climate funding would increase and therefore the risks of climate funding related corruption would increase, which the programme would address;
- TI has a unique role as an anti-corruption watchdog, whilst most climate funding related NGOs focus on environmental and climate change issues. TI would play a complementary role with its programme.
- International climate funding, forestry management and REDD+ issues require a similar approach regarding integrity and therefore different projects in different programmes can be best combined in one single programme;
- Given the global nature of climate funding and the need to build up expertise the programme would be best centrally funded and managed by the TI-Secretariat that would support the chapters.

⁴ TI 2011 Global Corruption Report: Climate Change

1.2.2 Activities in TI's Climate Finance Integrity Programme

TI-S started initiatives related to forest governance integrity in 2009 (former Forestry Governance Integrity Programme (FGIP)). As TI-S decided on a stakeholder/actor approach for the TI organisation instead of thematically focussed programmes, this FGI programme does not exist anymore. However, given the importance of some REDD+ integrity activities, and the overall importance of climate finance in the political debate, a new thematic programme was developed (an exception to TI's actor based approach) on climate finance. The CFI programme is currently earmarked as one of TI's key programmes, next to the actor-driven programmes. It was the aim to have a joint programme up-and-running on forestry governance and climate finance by 2013, with the intention to evaluate the work in 2013-2014 and for TI management to take a final decision about the programme's status and position within TI's Strategy by 2015. The figure below illustrates the timeline of the individual projects and the programme as a whole:



As a result of the internal 'merger' between existing TI activities in forestry governance and the Climate Finance Governance project financed by BMU, three different projects are currently jointly implemented under the umbrella of the CFI programme. From the donor's perspective each of them is funding a standalone project, though they are aware of TI's wider ambitions for work on the issue. The three donor funded projects are:

1. "Strengthening Transparency, Accountability and Integrity in Climate Finance Governance

(CFG)" funded under the International Climate Initiative of the German Ministry of Environment.

The CFG project was started in 2011 (and will run for 27 months), funded by the German Ministry of Environment (BMU), with € 2.453.314. Six CFI programme pilot countries are participating in the project: Bangladesh, Dominican Republic, Kenya, Maldives, Mexico and Peru. Next to the country-

specific implementation, TI-S is coordinating the global efforts for the project (e.g. by developing the E-learning tool (ELTC)). The project aims to contribute to promoting transparency, accountability, integrity and anticorruption safeguards in CFG globally and nationally;

2. “Forest Anticorruption Solutions and Advocacy within the Forest Governance Integrity

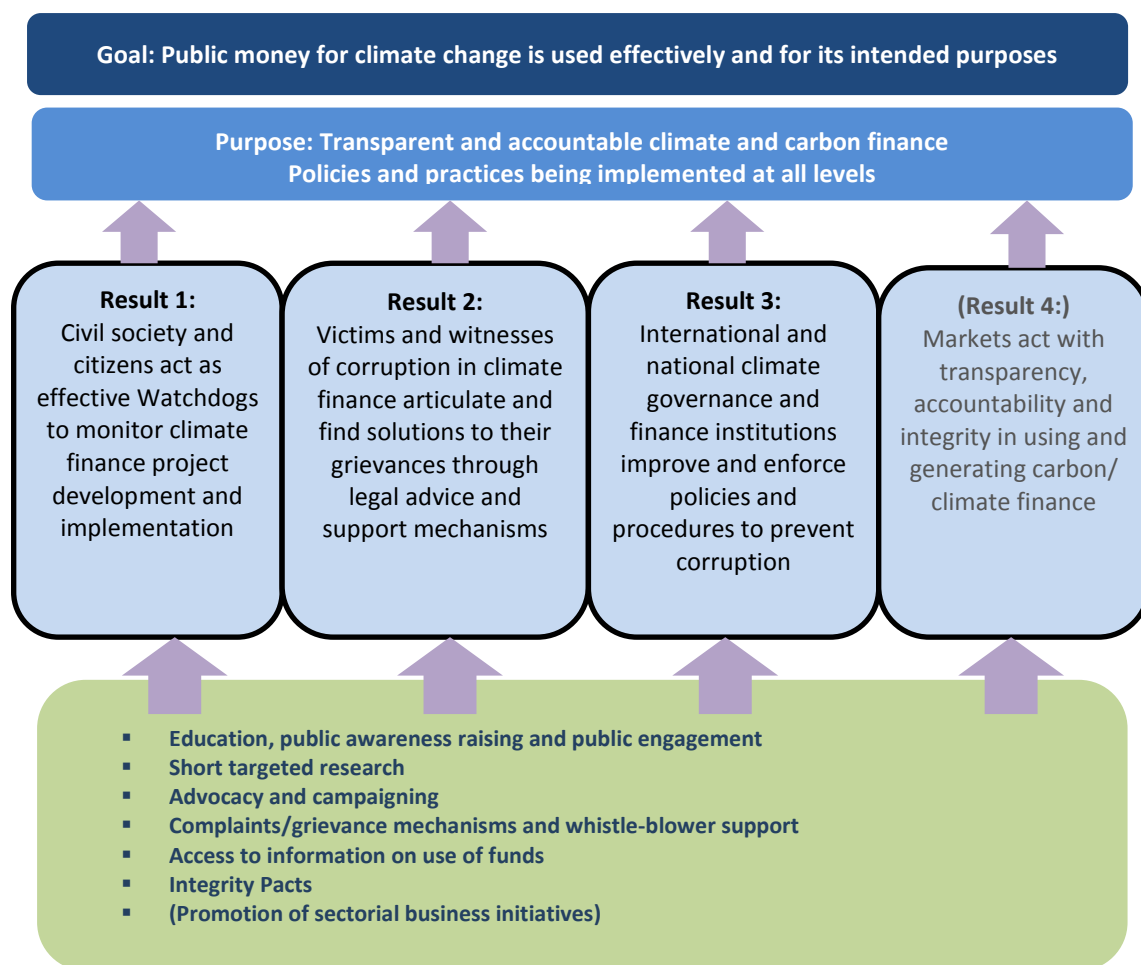
Programme (FASA)” funded by the German Ministry of Economic Cooperation and Development. The FASA project started in January 2012 (and runs for 15 months), with total funding of € 400.000. Two CFI programme countries are participating in this project: Indonesia and Papua New Guinea (PNG). Initially, the project was part of the FGI programme, but it is now integrated under the new umbrella. The project aims to increase government knowledge of forest sector corruption, to increase public awareness and understanding of forest sector corruption, to develop capacity to monitor corruption areas at local civil society level and advocate for specific policy changes in forest governance, and to lead stakeholder demand for inclusion of anti-corruption tools in forest governance legislation and policy-making;

3. “Civil Society Capacity Building for Preventive Anti-Corruption Measures in Reducing Emissions through Deforestation and Degradation Mechanisms (PAC-REDD)”

funded by the Norwegian Agency for Development Cooperation. The PAC-REDD project started in 2010 (and runs for 39 months), in cooperation with NORAD (prolongation of this contract for a 2nd phase has been accepted already), with total pledged funding of € 1.527.085. PAC-REDD was a component of TI’s Asia Pacific regional FGI programme (coordinated by TI APD), but since January 2012 the project is part of the CFI programme and only focusses on Indonesia, Vietnam and PNG. The project aims to ensure a larger civil society participation in REDD+ though enabling formerly disenfranchised civic groups to feel more ownership of the REDD+ negotiation processes and therefore be more ready to take part in the consultations required for REDD+ negotiations.

1.3 Evaluation of TI’s Climate Finance Integrity Programme

The purpose of this report is to evaluate TI’s strategy on climate finance integrity. We aim to gain and provide insight into the workings of the programme to date with the aim of ensuring the best strategy and practices are in place for the future. The CFI programme has been assessed against the programme’s ‘Theory of Change’ and the goals and results that the programmes aim to achieve, as set out below. It is important to realise that the theory of change was developed in 2013 when the three individual projects had already been established. The theory of change therefore includes some aspects which have yet to be put into practice:



We recognise that the above set of programme results, purpose and goals were drawn up in 2012/13, after the three sub programmes were underway. Therefore for the ‘backward looking’ part of the evaluation we concentrated on the original project descriptions / application forms. Nevertheless the figure above is the best available overall programme description for our evaluation. Parts of these activities have not yet begun, as this description is TI’s ideas on how to continue the project. We expect that our comments per result can be used in further shaping the future of the program.

1.3.1 Summary of method

The evaluation study is a combination of a (forward looking) strategic and a (backward looking) sub programme specific evaluation. This has been conducted in four main phases:

- 1. TI-S consultations and desk review:** The reconstruction of the intervention logics for the three sub projects, drawing on the project applications and contracts and discussions with TI-S. A detailed review of the more recent theory of change and intervention logic for the programme as a whole.;
- 2. TI Chapter consultations and desk review:** Country evaluations within the programme have been conducted in more detail at chapter level. This has been done with desk studies of the chapter level progress reports, interviews with all bar one of the chapters and field visits to two chapters (Indonesia and Mexico) which included consultations with chapters staff and with some national level stakeholders;
- 3. External stakeholder consultations:** Interviews with external stakeholders including other NGOs focussed on transparency and integrity, climate and environment NGOs and national and international organisations involved in the collection and disbursement of climate finance funds.

4. **Reporting:** All of the qualitative and quantitative data has been collated and structured against standard evaluation questions on relevance, impact, effectiveness, efficiency, sustainability and strategic added value. We presented an initial report following stage one, then a draft final report which was presented to TI-S. This final report takes on board the points raised by TI-S and expands upon those sections where more detail was requested.

The report reflects on the appropriateness of the programme's organisation, content and strategy. We have assessed the CFI programme's performance with regard to achieving the intended results and its performance against each of the evaluation questions.

2 Progress Review

This chapter of the report answers the main evaluation questions for the programme. There are four main groups of questions and answers. For each group a broad definition of the question is given followed by a discussion of the key points, including the most relevant stakeholder comments we received, under a series of sub headings.

2.1 Relevance

Relevance can be defined as the match between the priorities and policies of the target group, chapters and donors. Also known as ‘strategic fit’.

2.1.1 *Is climate finance integrity a relevant topic for activity?*

A useful way of considering the relevance of TI’s actions to date, and those that it could potentially take in the future in this area is to consider the need and demand for their actions. The need for their actions considers the existence of problems that align with the strategic objectives and abilities of TI.

The 2011 Global Corruption Report: Climate Change of TI contains a detailed review of the corruption risks surrounding the potential responses to climate change. It is clear from this that there are significant risks, which align with the central anti-corruption objective of TI. Our consultations also indicated a number of other factors relating to the need for TI action, these include:

There are currently global scale policy and financial instruments and programmes to address climate change being designed. These design processes are perceived to be lacking in transparency and are not including many of the countries and many of the people who will be most affected by them. Engaging in this design process now will enable TI (and others) to positively influence them to address these two issues. The transnational nature of many of these funds implies relatively complex governance arrangements. This complexity increases the corruption risk and suggests a need for TI involvement.

2.1.2 *Is there a role for TI in climate finance?*

There are a number of points that can be made concerning the suitability of TI becoming involved in the issue. These can be described more as the demand than need as they relate to the perception among the recipients (and collaborators) of the work. The fact that climate change is a truly global issue and that many of the responses have a global range of recipients and donors, implies that the transparency issues need to be addressed by an organisation with a global representation - such as TI. The additional angle and combination of chapter and international input that TI brings to climate finance integrity is appreciated by donors. The combination of national and international level contacts that TI have were also praised as enabling TI to see the national (implementation) side. TI was described by one consultee as a “useful addition to the complex system of oversight and control of global climate finance” (with the complexity coming from the many layers involved).

Interviews with other NGOs confirm that TI is the only organisation focussed on the transparency and ‘corruption proofing’ of international climate finance funds. There are many environmentally focussed NGOs but they themselves agree that transparency is neither their primary objective nor their key area of expertise. As such they welcome the involvement of TI and regard their input as credible. The donors

consulted share the view that TI brings a welcome and additional voice to the climate change issue. TI's unique knowledge in this issue has led to many stakeholders regarding them as the leading organisation on climate finance risks. The fact that TI has attained this reputation after only a relatively short period of engagement reflects the newness of the policy issue, the lack of competitors and their abilities.

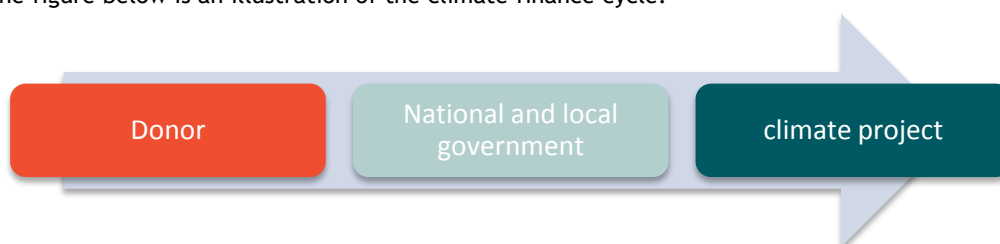
Some stakeholders, and some within TI itself, feel that national (donor) governments and donors are arguably using TI to do what they should themselves in terms of considering anti-corruption in the design and implementation of their instruments.

The other anti-corruption focussed NGOs consulted were aware of TI's work in this field in general, one had collaborated with TI on it, but they were not aware of what the chapter level work involved in detail. Interestingly one of the NGOs stated that they planned to work with TI more on the issue in the future, however the other stated that due to a lower than expected materialisation of funds into REDD+ they have reduced their focus on this issue and have returned to more 'traditional' forestry issues.

2.1.3 *TI's reason for engaging is to combat corruption and not climate change*

Another issue of relevance which causes some confusion, particularly to external stakeholders, is that it is hard for those not in TI to clearly understand that TI are not engaging in this issue because of a desire to combat climate change but rather because of a desire to increase transparency and reduce corruption. There is clearly some overlap between the two issues in that if funds intended to address climate change are not as effectively used due to corruption then they will not achieve such a large impact in terms of CO₂ reduction or climate change adaptation etc. This reason for engagement often needs to be made clear, particularly as the majority of NGOs engaged with this issue are motivated by combatting climate change. This also has important implications for prioritisation as TI would be most interested in projects and scenarios with the largest corruption risks whereas environmentally driven NGOs would be most interested in those with the largest climate change reduction impacts. TI needs to ensure that their project design and activities stay true to their primary objectives and that the chapter level staff retains this focus.

The figure below is an illustration of the climate finance cycle:



In this largely preliminary (because of the relatively small volume of finance involved) phase we think that TI's biggest impact can be achieved in the middle step, preparing a country for a transparent reception and distribution of climate finance. There is also potential for TI to positively influence the final 'on the ground' stage. It is clear that a project that is not delivering 'value for money' due to corruption will not be achieving the full potential CO₂ reductions and will therefore be under achieving against the core purpose of climate financing. The actual execution of climate related projects can include a wide variety of activities: forest management, adaptation projects, renewable energy projects, etc.. Each of these activities requires a different approach and methodology to reduce

corruption risks. In each country the level and the reason for intervention must be clearly indicated, and the required methodology needs to be adapted to the activity and country.

2.1.4 *Has the scale and speed of growth of climate finance activity been as predicted?*

One negative issue in terms of demand relates to the level of activity (financial flows) that have been apparent in the climate mechanisms. This has been much lower than expected largely because of on-going political problems with climate negotiations and the failure to reach global agreement on the need for action. The consensus of opinion among those consulted, and from our own policy knowledge, is that there is no near term prospect of this changing. This has led some NGOs to move their focus away from this issue suggesting that the demand for activity in this area has reduced in comparison to expectations. This has meant that in many cases there has been less on the ground activity at risk of corruption than was expected when the programme was formulated. Though in some countries (e.g. Bangladesh, Mexico) there has been activity - both nationally and internationally funded. There have also been examples of corruption being detected, highlighted and countered. But overall the assumed billions are not flowing yet weakening one of the basic underlying assumptions.



The Bangladesh chapter reported on the low quality design and construction of climate resilient housing. The project was suspended and investigated and it transpired that the budget per house had been cut too low to deliver it. The Bangladesh government is now looking at ways of delivering the project properly.

http://ti-bangladesh.org/climatefinancegov/TIB-Draft_CFG_Paper_English.pdf

A stakeholder from one of the largest global level funds targeting climate change stated that they had not yet seen many examples of corruption in the use of their funds, though there had been some examples, for example one national government had its funding flow stopped due to misuse of funds, though they had admitted this, rectified it and funds had now been restarted. There have also been some examples of corruption arising at a national project specific level, e.g. in a World Bank project, the relocation of local population had not done in the way it was supposed to be which led to issues being raised at a national level.

A climate focussed NGO commented positively on TI's work in this area saying that their initial work (the Global Corruption Report on Climate change) was interesting, timely, forward looking and was done at a time when there were expectations of large new finance flows. However they qualified this with the statement that there has been much less new finance flowing into climate projects than expected - which is also an issue for others working in the field. They stated that much of the funding going into climate projects is via the regular development / aid budgets and as such the issue becomes more one of getting climate finance risks recognised by these routes. This implies that they believe that there are some risks associated with the use of aid for climate projects that are additional and/or different to the risks of using aid budgets on other issues. Extrapolating from this point leads to the suggestion that TI should look to mainstream the knowledge on climate risks and how to address them that they have been developing into other aid programmes. This would need to be in addition to the work that TI are doing to helping ensure integrity in the design of new climate finance specific mechanisms.

It should also be pointed out that there is a risk of corruption at the policy setting level, for example lobbying to influence decisions. TI-S's efforts to improve transparency at the international level and the TI chapter led activities at the national level attempt to address this.

2.1.5 Is Climate Finance at an appropriate stage in its policy cycle for TI to become involved?

Another important aspect to consider is the fact that TI's involvement in climate finance integrity comes at a much earlier point in the policy cycle than is typical for them. This relates to a fundamental aspect of TI's work in that they typically report and respond to evidence of corruption and in order for this evidence to exist the policy framework in question needs to be in place and funds (or influence) need to be actively flowing. Although there have been climate finance flows (and some examples of corruption / lack of transparency) these have been significantly lower than expected and many of the proposed financial mechanisms, particularly at the global scale, are still at the design stage. Climate change is already a relatively abstract and for most people the idea of climate finance is unknown. This makes prevention of potential climate finance integrity problems, however important and relevant, a rather abstract concept and difficult to explain or to 'sell'. This more preventative approach requires a somewhat different focus of activities because at local level it is more about awareness raising of future possibilities and at national and international level it focusses on influencing the design of programmes that have yet to be finalised and fully implemented.

2.1.6 Are there coherent intervention logics for the three main strands of the programme?

As described in chapter one there are currently three projects operating under the umbrella of the CFI programme. In order to align the activities, outputs and objectives of a programme, it is common practice to prepare an intervention logic which links outputs up to results and impacts. These intervention logics are also very useful in evaluating projects. For the overall CFI programme, a Programme Logic or 'Theory of Change' has been prepared by TI, including actions/outputs, results and desired impact (see Annex A). We have also constructed an intervention logic for the three projects based upon the information we have received in the application form and monitoring reports for these. These intervention logics are also presented in Annex A. Overall, the intervention logics that can be derived from the project information are reasonably coherent.

However, as mentioned above, one of the main assumptions (billions of dollars flowing to climate finance) has not been fully realised yet, and this affects the program logic.

Our analysis indicates that clear indicators at the output level have been defined for all projects and the programme overall, but that indicators at impact and result level are missing. However, we recognise that indicators at impact level are hard to define (i.e. how should 'less corruption' be measured?). This point is discussed under the impact questions.

Another observation is that outputs/actions are clearly explained and defined, but that it is unclear how these should lead to the defined results and overall impact and objectives. Moreover, sometimes the objectives are vaguely defined with no clear impacts defined, for example for the PAC REDD project.

2.1.7 How well does Forestry and REDD+ fit within the programme?

Corruption in forest management is an existing problem in many countries. For some countries like PNG and Indonesia it is among the most important issues for transparency discussions in their country. The

new REDD+ climate finance instrument is directly addressing the forest situation in a country and therefore there is a close link between REDD+ and forest management. But at the same time there are some substantial differences in the focus. REDD+ is new, and right now the receiving countries are setting up the receiving structures for REDD+ in their country. Without the international agreed elements in place in the structure there is much less money coming from REDD+ donors than anticipated. However, the donors are for the time being mainly national governments or international institutes with a keen eye on seeing this money spent to preserve forests. Whereas in traditional forest management the risk comes from companies who pay to get an operating licence to cut the forest. Hence the dynamics are different.

Bringing the two issues into one program is absolutely possible and the availability of funding for REDD+ preparedness makes such an approach understandable. Nevertheless we see that in the chapters this does not always result in the right division of attention.

Vietnam:

There are other NGOs active in the same field around REDD+ e.g. SNV, RECOFTC, CIFOR, CSDM, etc. - but their work is focused mostly on the REDD+, forestry, governance issues in forestry, REDD+ and climate change area. Less of them are working on the integrity, transparency or anti-corruption in REDD+/forestry, only TT/TIS is working on this topic in Vietnam.

The main gap relates to the difficulty in predicting the uptake of REDD+ - in general the uptake has been much less than was originally expected. It is very hard to predict what will happen in the future. Until now REDD+ in Vietnam and other countries have not been at the implementation phase, just the starting process of development. That means the concept and intervention of REDD+ can be changed. This makes the problem hard to define and predicting the corruption risk in REDD+ is not obvious. Until now the approach has been to consider historical patterns in forestry mechanisms to identify the potential corruption risk which is likely to be the same as that which will be met in REDD+. When REDD+ happens in the future, everything might be the same or might be different.

Green NGOs reported that they remain very interested in the REDD+ aspect but that they are seeing a lot of the typical forestry issues emerging in REDD+ projects as transparency in the sector has never really improved. One of the complicated discussions under REDD+ is the distribution of the benefits from forestry between local people, companies and government, This is also quite similar to 'classic' forestry issues.

In Indonesia, TI activities were very focussed on forest management at the local level; with a high level of attention on local capacity building. This local attention, albeit very relevant, has been eating away the time and focus from the national legislative and financial discussions necessary for REDD+.

We see advantages to follow the TI-S central line to focus on the level of intervention and key stakeholders. Climate Finance and REDD+ in their actual phase of preparing legislation and funds structures are mainly at central/national level; dealing with government budgets. This has a different intervention logic than the capacity building and local level intervention required in fighting corruption in forest management. There are obvious links and overlaps between REDD+ and forestry management. Nevertheless, combined in one project (e.g. for donor reasons) we see some risk that the intervention logic is not differentiated clearly enough between the two. Therefore a very clear description of the differentiated intervention logics has to be made

2.1.8 Should TI expand their activity to consider activity in Carbon Markets?

The external stakeholders were asked if they thought TI should increase their level of engagement with carbon markets. This area of activity is included in the recently defined programme level intervention logic but it is not an area that TI has been active in to date. The green / climate focussed NGOs highlighted the controversy associated with carbon offsets as a concept, with many campaigns feeling that the focus should be solely on reducing emissions rather than offsetting them. Therefore any engagement by TI in this market would risk being seen as an endorsement of the approach, and TI may wish to avoid this risk. Some NGOs take a less hard line on this issue but they also pointed out the relatively small scale of the market and questioned the need for TI to prioritise it, unless market activity substantially increased in countries known to have high governance risks. This view was shared by an independent expert in the field who pointed out that governance issues were not the most pressing problems in global carbon markets (e.g. the low price of carbon with little prospect of an increase) and as such TI's efforts would be better applied elsewhere. However, he also added the caveat that TI can't avoid some engagement in carbon finance as it is so closely linked to climate finance.

An NGO that devotes a significant part of its time to Carbon offsets and markets confirmed the opposition in principal of many NGOs and the low level of activity. They also pointed out that it is an area that does not receive a great deal of NGO interest regarding market function, despite the documented occurrence of corrupt practices. They felt that some TI involvement, given their relatively high level of resources (by NGO standards) would be useful. This relatively low level of NGO activity was confirmed by another external stakeholder who also felt that if TI could engage in a positive way then there would be value in them doing so.

Given the nature of carbon trading two stakeholders suggested that if TI does wish to retain an interest they should avoid a detailed market tracking approach in favour of a strategic level engagement looking at the future market potential, highlighting the need for a well-designed market and suggesting how to deal with market issues. We would support this view and recommend to TI that they follow the international carbon market from some distance but do not get involved in 'market tracking'. When, and if, the markets become more active, particularly if there are concerns about lack of transparency and corruption, this could be reconsidered. We would suggest that and future increased participation be pursued as a joint initiative with a climate focussed NGO where TI provide credibility and knowledge on ways in which market transparency and honesty can be improved and a climate focussed NGO seek to highlight examples of poor market behaviour.

2.2 Effectiveness - Outputs and Outcomes

Effectiveness can be defined as how well the intended outputs and outcomes match those which can be observed.

2.2.1 *Have the Outputs been achieved?*

Annexe C contains three tables which present the outputs and expected outcomes for each of the three projects and grades the achievement of each output for each project on an expanded traffic light scale.

Our overall impression on delivery is that the outputs achieved are close to what was intended. There has been some slippage in timing but this is justified by the fact that many of the activities had never been tried before and the chapters (and TI-S) were starting from a point of low capacity. These issues are typical for a pilot project when enthusiasm often encourages project and programme designers to underestimate the time it will take to set new schemes up and undertake new activities.

There is a clear variance between the chapters in terms of which aspects they have performed most strongly on. This is a reflection of a combination of their baseline knowledge, the abilities and expertise of the staff they have and employed and a de-facto prioritisation of those issues and approaches which gain most traction in the chapter countries. This traction is a combination of the staff skills/ interest but also the local reality. On the forestry projects this combination has led to an apparent over performance on forestry governance issues and underperformance on REDD+ issues - this reflects the high levels of knowledge and experience of forestry issues among the chapter staff and a relative lack of 'on the ground' REDD+ activity in the countries.

- The REDD+ manual is well regarded and is reported to have been used (and adapted) by a number of other organisations.
- The risk mapping that has been carried out by the chapters is a key output, and one that should enable future results and impacts. As the risk mapping has not yet been released for all the chapters there is a risk that this output will vary in quality between the chapters.
- The chapters and TI-S have all made advocacy efforts, which have raised the profile of the issues in the chapter countries and in the international arenas.
- At chapter level the research processes have required direct engagement with the stakeholders. This engagement is in itself an effective form of advocacy.
- There is a variation between the chapters on their level of engagement with the media. This is again a reflection of the skills and motivations of the individuals involved and the common practices and issues in the chapter countries. Engagement with the media is a very effective way of advocating for a cause. TI-S and the chapters have made clear efforts in this aspect which should be continued and enhanced.
- From our interviews and from the material reviewed it is clear that capacity building (in terms of knowledge of climate finance corruption risks) has happened within the chapters and this knowledge has been (and continues to be) spread into other NGOs and the media. Given the very low levels of knowledge which existed at the project start this is a positive impact.
- The research done at chapter level to map the risks will provide a valuable resource into the future. The tools and approaches developed to deliver this research should also be transferable to other countries, enabling them to build their knowledge and understand and act upon these risks as they develop.

- The On line training module has had mixed success. There was some criticism of this from chapters who stated that some of their network members find it hard to access as they are not highly computer literate and/or have poor web access. The product would be better if it had more country specific case studies and examples (which the chapters could provide) It would also be better if it was translated into the local language. A paper based version would be useful (for those with poor or no web access).

2.2.2 Have the Outcomes been achieved?

The recent programme level document states four high-level outcomes. Our view on progress against these is as follows:

- Civil society - some good examples, but not 'scientifically' measured.
- Grievance reporting - some evidence of systems being set up, but low visibility to date
- International policy and systems - clear activity by TI-S and chapters. Good clear start. At the global level TI-S and some of the chapters have made plausible contributions to the global debate and policy development. For example the TI contribution to the wording of the communication on this issue that was released at the last COP meeting
- Markets acting transparently - This is not an area of focus for the three projects currently underway, so we would not expect clear and direct progress against this outcome yet. There has been a much lower climate finance activity than was expected when the projects began so this is difficult to judge. We have to add here that 'markets' are much more related to 'carbon finance' and that the targeted 'climate finance' is much less a market issue as it is mainly between governments and international institutions.

2.2.3 How can impact be measured?

When considering the desired highest-level impacts of the works that TI are carrying out - i.e. a reduction in climate finance corruption, the difficulty lies in defining indicators. This is an issue which occurs in all TI's work as corruption is not an issue which can be objectively measured. This is reflected in TI's most well-known product being called the 'perception of corruption index'. It was suggested by an external stakeholder that TI could consider developing a suite of corruption perception indexes on a thematic basis and that one of these themes could be climate finance. Developing such a suite of indexes would be methodologically difficult, for example there would need to be an attempt to pick a comparable survey sample between the themes, which would not be easy. However it is an approach which TI may wish to consider, if only on a one off basis to illustrate the sectoral variation in corruption and to help them make decisions on prioritisation of themes within TI as a whole.

2.2.4 TI operating model - inherent tensions

There are tensions between acting as a watchdog, typically 'naming and shaming' individuals and organisations that appear to be guilty of corruption and working with governments by being a 'critical friend' of those in power and retaining influence with them by not causing them public embarrassment. This isn't an easy balance to strike and maintain and it is an issue which faces TI in climate finance, as in many other of its areas of interest. This issue is of particular importance in climate finance because the nature of the risks involved in climate finance and the negative consequences these can have on the ground are relatively abstract in comparison to many other issues. This means that practical examples of the impacts of corruption are extremely valuable for advocacy purposes as they bring the issue to life and make it much more easy to understand and therefore likely to gain media coverage. However publicising actual practical examples implies a 'naming and shaming'.

If and when climate finance flows become higher volume these examples should become more plentiful, but arguably it would be good practice if those examples which have been identified (e.g. low quality CC adapted housing in Bangladesh) are collated and presented on the TI website - perhaps in an anonymised style - to illustrate the practical impacts of the core issue.

There was a diverse range of opinions on the way in which TI position themselves in the debate. At the one extreme one global climate fund felt that they detected an 'over critical' bias in the data requested by TI. The fund in question felt that requests of this nature put TI's position as an 'independent watchdog' at risk.

Some of the NGOs we consulted, typically those with a broad focus, felt that TI's approach was a good balance between conciliatory and confrontational. The other NGOs focussed on corruption issues recognised the balance that TI need to strike between a loud and confrontational approach and their current more subtle way of working. They agreed with TI's approach as being louder might get more headlines but it would also impede their access to senior people. One of the corruption focussed NGOs felt that supporting the advocacy work of other NGOs more might be a way of using their knowledge and capacity to help those with a slightly more confrontational approach.

Some of the NGOs that we consulted felt that TI should take a harder line / stance and should go further than being a critical voice and become more radical and hard hitting in their statements and position. For example at the moment the UN climate talks are stalled, with much of the problem relating to the most powerful players- US and EU, Canada, Australia. TI have pointed this out but could do so in a higher profile way. There are also major problems with the EU-ETS, with the large lobbying efforts of the oil and gas industry (e.g. in Brussels) being a major part of the problem. This is arguably an issue of corruption that TI could speak out about but it is an issue at the core of what climate NGOs are focussed on so we would not recommend that TI pursue this.

One NGO we consulted made the point that TI's approach should be driven by their view on whether they think their mandate come from a social network or their funders? If from society then maybe they should take a harder line? This point crosses over into the well-known debate amongst NGOs on the risks of becoming too donor driven. This discussion is interesting but is somewhat beyond the scope of this evaluation, although from our review of the reasons why TI have engaged in this area and the focus of the actions they have taken it appears that the objectives are a very good match with the independent core objectives of TI and they have not been overly influenced by the donors objectives.. The same NGO also commented that climate change is a very politically influenced process, so strong voices are needed now and that TI could do this.

2.2.5 Do TI maximise the opportunities to liaise with other NGOs involved in climate change?

One of the existing funding bodies for TI's work commented that they felt there was room for improvement in the way in which TI shared its work with NGO networks. They felt that this is maybe because these activities have been under reported back to them but that given the importance and benefits of sharing experiences on a national and international level any such activities should be pursued and should be clearly reported.

Virtually all of the other NGOs consulted felt that TI could improve their interaction with other NGOs at the international level; for example at the UN climate convention talks. TI was reported to not be heavily involved / active in either of the NGO ‘groups’ - Climate action network and Climate justice now (in their meetings and briefings etc.). This may be because TI don’t share the priorities of these groups (and may be active in others). Though in general TI’s profile in these groups is low, they are not absent, but neither are they heavily involved. The perception is that (by NGO standards) TI is very well resourced and these resources are needed in this issue. This could take the form of more activity in networks and / or convening meetings / conferences. Another network of potential interest to TI that was mentioned is the “Financialisation of Nature” network.

TI has given some financial support to other NGOs in the past (for travel expenses) and this had been highly appreciated.

None of the NGOs spoken to felt that they were competing for funds with TI.

2.3 Efficiency

Efficiency can be defined as a consideration of the value of the outputs achieved versus the costs of the inputs.

2.3.1 *Can efficiency be measured at a high level?*

At a conceptual level this could be considered as the ratio between the cost of the programme and the value of the benefits. Estimating a monetary value of the scheme impacts is not straightforward. One way in which this could be done is to assign a value to the carbon emissions that transparent and honestly applied carbon abatement schemes achieve as opposed to the lesser emission abatements that corruptly applied schemes might achieve. If the total carbon finance trade value is assumed to be \$100bn by 2020 (as pledged at the latest COP), if only 1% of this was lost to corruption it would mean €1billion lost.

2.3.2 *Have the projects been delivered in a timely way?*

The administrative and operational issues that the projects faced are also of relevance to the efficiency question. A common problem that the chapters and TI-S faced in getting the projects started, and sometimes in maintaining their ability to deliver was in recruiting suitable staff. The key issue faced was the lack of individual candidates who had some expertise and experience in both climate change finance and corruption risks. Candidates with expertise in one of these issues were relatively easy to identify. The newness of this (climate finance integrity) as a policy issue means that there has been no demand for people with this combined skills set, so the lack of suitable individuals is not surprising. From the experience gained to date it appears that the best solution to this problem is to take staff with expertise in corruption risks and let them develop climate finance skills. This approach fits with the core objectives of TI and also fits with the contacts profile of TI staff - on the assumption that these contacts are often a key source of new applicants and recruits to an organisation. It also avoids the problem of recruiting staff who are motivated by climate concerns that are much more likely to struggle with the anti-corruption core objectives of TI.

The e-learning tool has been more expensive and time consuming to develop than was expected. However the tool is useful and will be even more useful if it is translated into more languages.

In terms of administrative procedures and processes there are no major efficiency concerns apparent. The staffing levels at TI-S seem appropriate to the programme demands, though the team have to work very hard to deliver the programme. The delays in delivery of some parts of the projects and the under spend against profile could be an indication of a lack of staff capacity, on the assumption that if more staff been in place sooner, the deliverables could have been achieved quicker.

There was some concern within the TI-S team that the management of the programme may be too concentrated and that some of the management responsibilities could be better shared amongst the team. This was not intended as a criticism but was more a reflection of the desire amongst the team to add to their already highly committed involvement.

There is a lack of efficiency / value for money benchmarks at the project level within TI. This is related to the varied nature of the projects that TI run, for example there are good reasons why overhead costs vary between chapters and the scale of project also affects the costs.

2.3.3 Is the division of responsibilities and activities between TI-S and the chapters appropriate?

The first point to consider here is the way in which TI came to be interested in the issue. Although a number of chapters have had a long interest in forestry governance issues, which have a significant crossover with climate finance issues, the decision to pursue climate finance integrity came from TI-S and has been piloted via the chapters (as well as by TI-S). This is opposite to how some in TI see as the normal way in which issues typically come to the attention of TI, where the chapters witness corruption in action and (if useful) will raise the profile of this via TI-S. This issue has important consequences for the dynamics and management of the activities as there is clear potential for the chapters to view the programme as something they are less interested in than those activities they have instigated themselves.

Although the chapters have received some training on the capturing and reporting of outputs and how these can be linked to ultimate results and impacts this approach is not self-evident, especially for the climate finance issue, which (as discussed) is at so early a stage in the policy cycle with a relatively low deployment on the ground of finance (and associated corruption risk). This has contributed to a variation in quality of reporting between the chapters.

When questioned on this issue the current funders praised the approach but recognised that in the longer term the chapters should become increasingly self-sufficient though TI-S should retain a role. Funders and other stakeholders pointed out that a central role of influencing international bodies (e.g. the UN) is important and that it would be harder for the national (TI chapter) work to impact on global level issues. There was a very positive view of the combination of global and chapter levels that TI have.

In Mexico we heard a strong wish that TI-S continues to coordinate the program at central level. On the other hand in Indonesia the desire for a more national project with TI mainly in the serving role vs donors was much stronger.

One stakeholder pointed out her slight concern that climate finance is one of many issues that each chapter has to be aware of and as such there is a risk that capacity at chapter level may be limited to deal with it. As an internationally focused stakeholder this may reflect that the work of TI-S has been much more visible to them than the national (chapter level) work.

When asked about this split the chapters responded as follows:

On the global issues TI-S can coordinate the response and should create thematic groups among the chapters to inform their position on the issues. For example prior to the next COP, TI-S could get a view from the chapters and themselves to create a global position paper, which would be a powerful tool (which has worked well in other subjects for TI). It also makes good use of the expertise that exists in the chapters on issues of global interest. For example TI-Bangladesh is very strong on community based adaptation. The most important thing is to get the input from the individuals who are most knowledgeable but TI-S would need to facilitate and administrate this.

2.3.4 *Is there a conflict between donors and TI-S in terms of preferred structure?*

An additional issue for chapter reporting lies in the contractual structure of the project funding, with TI-S being the central grant holder and passing this onto the chapters. For some chapters (e.g. Vietnam) this is the standard way of operating, but for many of the chapters they are more used to being the direct recipient of funding. This two-step reporting process (from the chapters to TI-S then from TI-S to the donor) creates some inevitable delays in comparison to a single step reporting process. It also means that donor requests have to be interpreted and passed on from TI-S to the chapters. However this approach is popular with the donors as it enables them to target the issue ‘on the ground’ in a number of countries while contracting with a large, secure and credible Western European organisation (TI-S) which can also address the issue on a global level.

2.4 Impacts and Sustainability

Sustainability can be defined as a combination of the longevity of the benefits that the project generates and the ways in which the project could be continued.

2.4.1 *Will future donors be satisfied with the output and impact measurements used so far?*

A key point which emerged from our interviews with the current (and potential future) donors for the programme concerned their desire for more ‘tangible impact indicators’ in future work. This was not intended as a criticism of the programme to date but was a reflection of the understanding among the donors that the current programme was a pilot and as such defining the ultimate impact for a scheme which involves an element of learning by doing is very difficult. However the donors felt that given the experience gained from the pilots that TI should be able to define more tangible impacts for future projects in this area. The donors found it difficult to give examples of the type of tangible impacts that they would like to see. We would suggest that there are some examples already in place in the new overarching programme theory of change. For example ‘changes in policy and practice’. An important aspect for such an indicator is that progress against it is carefully recorded and reported, by both TI-S and the chapters. When the impacts relate to relatively subtle improvements, such as the wording of legislation and guidance, it is important that TI seek to capture the plausible contribution that their activities have had to this. This could vary from suggesting to policy makers that a certain form of words be used to raising an issue in a forum that the policy makers will have seen.

The variation between the approach of chapters, because of staff, capacity and local priority issues, is likely to affect the level and retention of the capacity that has been built. This is linked to the ability to mainstream the capacity that has been developed into the chapter, in some chapters there is a perception that the climate finance integrity work is a somewhat isolated (from the other work of the chapter) activity.

The external stakeholders agreed that deriving impact indicators in this subject is not easy. The ultimate objective is to arrive at strengthened systems at national or sub national level - this is what TI have done in other areas and what has got them good wins in the past. The point was also made that with regard to measuring advocacy outputs and impacts, TI want to (understandably) raise transparency and corruption issues for discussion, whereas climate / environment NGOs will be (again understandably) more focussed on environmental issues and that the environmental issues are often an easier issue to get press coverage of.

2.4.2 Could the work be mainstreamed into the rest of TI?

There are multiple links to the mainstream areas of TI work. For example, TI has done work on developing a policy for conflict of interest under their general 'public sector integrity project' works that is relevant. These links offer a clear future option for taking the work forward.

TI could possibly make better use of their expertise in other areas. For example they have good track record (in other issues) of dealing with the private sector and the financial sector - this would be of great use in climate finance where the majority of interaction to date has been with the public sector but the private and financial sectors will be increasingly relevant. An NGO consultee asked could TI 'connect up' the expertise it has with these from their work in other fields? This appears a strong suggestion and one which TI themselves made. It also picks up the point made by others that there are increasing examples of 'standard' aid budgets being used for what are arguably climate change goals, so in order to highlight the risks of using these funds in climate finance TI would need to push their knowledge into other areas of their activity.

2.4.3 Are there any important issues that TI is not currently addressing?

The Bangladesh chapter raised the general point that there is currently very little effort being made to track the impact of expenditure on adaptation, to date it is just being tracked like normal spend without any assessment of the climate change adaption benefits, i.e. has the money led to better adaptation? There is a need to build capacity on how to measure this but how this would / could be done requires further analysis. However this may well be more of an issue for environmentally focussed NGOs.

2.4.4 Is there future potential for improved synergies with other NGOs?

The current funders praised the number of other groups who TI are working and linking with as reported to them to date. They felt that this approach was very high value and should be one which is taken forward and expanded.

As discussed under effectiveness the other NGOs consulted felt that there was potential (and value) for TI to expand their activity in global NGO networks. TI's input was seen as valuable in the setting up stages of global funds when there needs to be discussion of transparency and governance issues. The difference in approach between many NGOs and TI (many NGOs are (or are prepared to be).more

confrontational than TI) was raised as a factor that could limit this cooperation. However there will be issues and collaborations where collaboration would be productive, for example WWF and German Watch were both positive on the possibilities.

2.4.5 What are the options for future programme funding?

One possibility for enhancing future sustainability would be to charge for the use of the tools developed. This may work but it appears somewhat contrary to the ethos of TI. There is a reasonably high level of confidence within TI that future sources of funding could be found to support the work.

Some of the chapters have reported that they are aware of funding opportunities which they could pursue. For example TI Bangladesh mentioned that there is some prospect of funding support from GIZ and DFID also appear interested. TI-B plans to continue the work by internalising the issues into their core activity - the Driving Change project can be used to support activity for the next year.

The chapters felt that this approach (a theme specific programme started by TI-S and implemented by the chapters) is unique in TI. As such the chapters would like some on-going support from TI-S to keep it going, and retain the capacity and knowledge into the future. If no support is provided there is a risk that the capacity and knowledge gained will leave the chapters.

2.4.6 View from a TI chapter which leads another theme

A number of interesting points were raised in an interview with TI-Uk which discussed their experience of being a chapter which runs a theme (the defence industry) for TI as a whole. Their view was that this approach can work but there are a number of issues involved which need to be considered and addressed.

The chapter needs to understand that leading on climate finance would be different to their other 'normal' work, in that it is for TI as a whole not them as a chapter.

The board (at TI chapter level) should have a separate committee focussed on this issue (this is the case in TI-UK on the defence work). Having external expertise and a TI-S person on this committee would also help as it gives a good TI-S link into what's going on. It is important that the chapter board doesn't give up responsibility to this committee.

The arrangements and impacts would depend a lot on the scale of the work vs. the scale of the chapter as a whole. In the UK the arms work is now bigger than the national work (2:1 ratio), because the issue has grown in scale since it started. For the climate finance work, it was to be run by a chapter such a ratio would not be suitable as a starting point. A more appropriate starting ratio would be if it more like a quarter to a third of the chapter's total workload.

How the chapter reports back to TI-S would need to be considered. For arms the leader presents once a year to the international board. If there were a number of other themes run like this it would become time consuming for them all to report in this way.

The informal governance arrangements also need to be considered. For example if a chapter was given this issue to lead they would need to be aware of the risks of keeping other chapters involved if they were working on issues of key interest to them, or presenting in their country. This need to keep other chapters 'on board' can be labour intensive and time consuming. It also has implications for

‘stakeholder management’ e.g. the donor or recipient countries, or the base of private company, might be in other chapters.

Finding a leader who can run a network like this is key. It is also crucial that the TI chapter given the lead could look at the issues on a global basis. This needs a clear distinction from their national priorities - if conflicts developed between the two it would be problematical.

The programme would need to establish its own credibility and ideally needs to be separate from the chapter.

The issue of funding is also important. Would TI-S (and the other chapters) support a lead chapter? A large chapter might be able to support this themselves. But funding would need to be in place from the start and be at good levels. There is a danger that a chapter could see this as a way of helping its own future (by getting funds). This would be a bad reason for a chapter to be selected and it would be much better to give it to a chapter not motivated by this, though the chapter would need to get something from the arrangement.

It is also important that the chapter keeps in contact with TI-S, and that TI-S have someone who could act as a link point into the rest of the network - not so that TI-S are ‘approving’ what the chapter does, but to help them make connections with the wider network.

3 Conclusions and Recommendations

This chapter has three main sections. The titles and purpose of these sections is as follows:

- Achievements and impacts - what the programme has achieved so far.
- Rationale and scope - is TI's involvement justifiable and are the range of activities optimal?
- Way forward - our recommendations for the way forward, with an explanation of why we are making the recommendation and what it involves.

3.1 Achievements and Impacts

3.1.1 *The majority of outputs have been achieved*

- There have been some delays but this is as expected in a pilot programme, starting from a low capacity baseline with high hopes and optimism.
- There is variation between the chapters in which aspects have been most successful - reflecting their baseline knowledge, priorities and ways of working.
- Forestry projects have arguably focussed more on standard forestry governance than REDD, this is a reflection of slow progress in REDD+ and likely genuine overlap.
- REDD+ manual - is reported as being well regarded and adapted by others.
- Risk mapping - appears good where we have seen it, but we haven't seen all countries output.
- Chapter level advocacy - all made some efforts and there appears to be a genuine growth in capacity and understanding of the issues and how to raise them among the chapters.
- Chapter level research has enabled some important capacity building and advocacy.
- Chapter level networks have been built and they appear robust and useful.
- The on line training module has had mixed success - possibly not the best approach for such an international project. Some criticism of its global accessibility given the variability in computer literacy and web access. More country specific case studies and examples, translations and a paper based version would help.

3.1.2 *There is good progress against most of the outcomes*

The programme level document has four high level outcomes, some of which are entirely relevant to the work to date, while some are more future intentions. Our view on progress against these is as follows:

- Civil society - some good examples, but not scientifically measured.
- Grievance reporting - some evidence of systems being set up, but low visibility to date
- International policy and systems - clear activity by TI-S and chapters. Good clear start. At the global level TI-S and some of the chapters have made plausible contributions to the global debate and policy development. For example the TI contribution to the wording of the communication on this issue that was released at the last COP meeting. There are also national level policy improvements that have been clearly influenced by the chapter activity.
- Markets acting transparently - there has been a much lower of climate finance activity than was expected when the projects began so this is difficult to judge. Though this outcome was not explicitly in the three projects but is included in the recent overarching future programme.

3.1.3 *TI lack agreed metrics to assess project efficiency*

- There are no standard project level efficiency indicators within TI, this is understandable given the large variation between project and chapter costs.
- We have not seen anything to suggest a lack of efficiency.

3.1.4 The work has been delivered in a reasonably timely way

- There have been some delays in recruiting suitable staff, due to the unusual combination of skills required (climate finance and corruption / integrity).
- The E learning tool has been more expensive and slower to develop than expected.
- The research process has been time consuming (but rewarding).

3.2 Rationale and Scope

3.2.1 There are intervention logics for the three main strands of the programme, but they could be improved

- Overall, the intervention logics that can be derived from the project information are reasonably coherent.
- Output level indicators have been defined for all projects and for the future overarching programme.
- Indicators at impact and result level are missing but are hard to define.
- Some of the links from outputs to impacts could be more clearly spelt out.

3.2.2 The scale and speed of growth of climate finance activity has not been as predicted

- The level of activity (financial flows) that have been apparent in the climate mechanisms have been much lower than expected largely because of on- going political problems with climate negotiations and the failure to reach global agreement on the need for action.
- There is no near term prospect of this changing.
- This has led some NGOs to move their focus away from this issue suggesting that the demand for activity in this area has reduced in comparison to expectations.
- There have been some examples of corruption being detected, highlighted and countered

3.2.3 There are well known tensions in TI's operating model - but they appear to be striking a good balance

- Naming and shaming usually contradicts the 'critical friend' approach.
- This is of particular importance in climate finance because practical examples of the impacts of corruption are extremely valuable for advocacy purposes as they bring the issue to life and make it much more easy to understand and therefore likely to gain media coverage. However actual practical examples imply a 'naming and shaming'.
- Some governments think TI are already too critical, some NGOs think they are not critical enough but those groups seeking a similar balance think TI are well positioned - so we would conclude that a good balance has been achieved.

3.2.4 TI should retain a high level 'watching brief' on carbon markets

- Climate focussed NGOs highlighted the controversy associated with carbon offsets as a concept, with many campaigns feeling that the focus should be solely on reducing emissions rather than offsetting them. Therefore any engagement by TI in this market would risk being seen as an endorsement of the approach, and TI may wish to avoid this risk.

- Some NGOs also pointed out the relatively small scale of the market and questioned the need for TI to prioritise it, unless market activity substantially increased in countries known to have high governance risks.
- Governance issues are not the most pressing problems in global carbon markets (e.g. the low price of carbon with little prospect of an increase) and as such TI's efforts would be better applied elsewhere. TI cannot avoid some engagement in carbon finance as it is so closely linked to climate finance.
- It is an area that does not receive a great deal of NGO interest regarding market function, despite the documented occurrence of corrupt practices.
- Some TI involvement, given their relatively high level of resources (by NGO standards) would be useful. If TI do wish to develop and retain an interest they should avoid a detailed market tracking approach in favour of a strategic level engagement looking at the future market potential, highlighting the need for a well-designed market and suggesting how to deal with market issues.

3.3 Way Forward / Recommendations

From our discussions with TI a number of possible future options for them to continue their work in this area emerged. These options and the reasons they have been rejected, or the main questions that were raised on them, are as follows.

- **Do nothing** - Deemed not acceptable because there is too much need (global scale and urgency) and demand (no one else with the breadth (chapter network) and quality to pursue)
- **Carry on as is** - Rejected because there is a need to scale up activity to other countries (and their chapter), and it is too large of an issue to carry on running from TI-S. TI-S operation would require too many people and it is not in line with TI's 'actor' strategy. It would also be too slow to do the same level of baseline research in more partner countries.
- **Chapter led** - This is possible but there are many questions on this approach, such as: Is the capacity in place? Could it be developed? How much on-going TI-S support would be required? Which chapter(s) would lead? Would regional hubs work? Would the chapters be able / be best placed to handle global advocacy issues? Could the chapters secure funding? How would competition between chapters for the roles be dealt with?
- **Outsource, convince other NGOs to include / consider the issues.** This may be possible but the main concern is that no other NGOs appear likely to prioritise anti-corruption above climate or with the skills/ USP of TI. However there is good and clear potential to improve collaboration.

From our analysis and experience we suggest that TI should continue their activity in this area with a hybrid structure, with increased chapter input, better global NGO links and efforts to mainstream the issue in TI. The remainder of this section presents our main recommendations with an explanation of the reasons behind each one and our suggestions as to how each should be achieved.

3.3.1 The theme of Climate finance integrity is, and will remain, relevant for TI intervention

From our consultations and in our own professional opinion climate finance integrity remains a relevant topic for TI to pursue. TI's intervention is timely because there are currently global scale policy and financial instruments and programmes to address climate change being designed. These design processes are perceived to be lacking in transparency and are failing to include many of the countries and many of the people who will be most affected by them..

The expertise which TI possesses makes them well suited for their role in enhancing and highlighting the need for climate finance integrity. There are a number of reasons for this conclusion. The transnational nature of many of the climate funds implies relatively **complex governance arrangements**. This complexity increases the corruption risk and suggests a need for intervention by an organisation such as TI who are well versed in these issues. Climate change is a truly global issue and many of the responses have a global range of recipients and donors. This implies that the transparency issues need to be addressed by an organisation with a **global representation**, such as TI.. TI are the most active NGO focussed on the transparency and ‘corruption proofing’ of international climate finance funds. There are many environmentally focussed NGOs active in the area but they themselves agree that transparency is neither their primary objective nor their key area of expertise. As such **environmental NGO’s welcome the involvement of TI and regard their input as credible**.

There appear to be good prospects for future support for TI in this area. The **donors** who could help support TI’s work in this area **appreciate TI’s corruption focus and combination of chapter and international contacts and knowledge** that TI bring to climate finance integrity. There are positive indications from current donors that they would be interested in future work on this issue and TI appears well placed in comparison to other NGOs. In addition some of the chapters have reported that they are aware of funding opportunities which they could pursue themselves.

3.3.2 Put the countries or regions in a more leading role, though TI-S retain lead on global advocacy:

We agree with TI’s proposal that **the division of responsibilities and activities between the TI-S and the chapters needs to move more towards the chapters**. There are a number of reasons, for this recommendation. **Funders** praised the approach but suggested that in the longer term the chapters should become increasingly self-sufficient, though TI-S should retain a role. The favoured approach would see **TI-S retain the lead on global level advocacy**, as they are better placed to lead on this than chapters. **TI-S should** increase their efforts at key hub locations (e.g. Washington and Brussels) with increased networking with other NGOs (see recommendation five for more detail on NGO collaboration). TI-S should ensure that they make good use of the chapter expertise on issues of global interest by creating thematic groups of chapters to inform their position on the issues.

We would not recommend a complete ‘outsourcing’ of the issue to a chapter because donors like the central grant holder, with global influence but also like the national contacts and networks that the chapters bring. The donors claim they want chapter independence (possibly to avoid the need to carry on funding them) but they may not have thought through all the consequences of losing the global influence and coordination of a programme with TI-S coordination. Our recommended approach would **allow chapters to lead on specific issues**. The chapters should be asked to suggest what issues they are most interested in (and would like to lead) and what issues they are interested in but would not like to lead. This could be facilitated by TI-S offering a ‘menu’ of options.

3.3.3 Make a better distinction in the needs and approach between the different steps in the whole climate finance ‘donor to project’ cycle. The final step from (local) government to ‘real’ projects requires a different approach. Forestry projects illustrate this best.

Forestry and REDD+ fit within the programme but the issues are likely to overlap with the activity of forestry focussed projects. This is a reflection of the facts that corruption in forest management is an important and existing problem in many countries and that there is link between REDD+ and forest

management. REDD+ is new, and is currently at an early / set up stage with relatively little money coming from donors yet. It is already apparent that donors are interested in transparency and integrity in the use of REDD+ funds. However given the relatively minor flow of funds to date it is difficult to predict the uptake and exact nature of REDD+ therefore predicting the corruption risk in REDD+ is not obvious. The logical approach has been to consider historical patterns in forestry mechanisms to identify the potential corruption risk, at the local level, which is likely to be the same as that which will be met in REDD+. However, **part of the transparency issues in REDD+ are at International or national level** (e.g. setting up climate funds, national climate finance regulation and national accounting systems), and are especially relevant in this early stage of REDD development. **At project level however the corruption risks are both classical forest management issues and CO₂ transparency.** These project issues have a more local focus and require other skills and intervention methods. We think **both the international/national and local activities for REDD+ can be organised in one programme or project only if the differences are very clearly recognised.**

3.3.4 More attention on TI's core competences around anti-corruption. Climate finance integrity needs to be mainstreamed / combined with the core financial and legislative knowledge that TI possesses:

It is vital that TI's reason for engaging (to combat corruption and not climate change) is continually made clear. There is clearly some overlap between the two issues, in that if funds intended to address climate change are not as effectively used due to corruption then they will not achieve such a large impact in terms of CO₂ reduction or climate change adaptation etc. However the primary reason for TI's engagement is different to virtually all the other NGOs who are involved because of a primary desire to combat climate change.

The work should be mainstreamed into the rest of TI. There are multiple links to the mainstream work areas of TI. TI should make better use of their expertise and track record (in other issues). TI have significant experience of dealing with the private sector and the financial sector which would be of great use in climate finance where the majority of interaction to date has been with the public sector but the private and financial sectors will be increasingly relevant. The mainstreaming could be achieved by **building capacity and awareness in TI-S actor leads.** There are a number of other TI programmes where engagement is possible and there are a number of examples where it has already begun, such as:

- People engagement, e.g. IT tools' hackers link' to civil society to create a tool for climate finance tracking.
- Business integrity e.g. looking at forestry companies, analyse and rank their corruption and transparency performance.
- Public sector integrity - e.g. codes of conduct on conflicts of interest and integrated pact approach.

3.3.5 Improve links with other NGOs and ensure these are well reported:

Funders and other NGOs think TI should liaise more with other NGOs involved in climate change. This opinion comes from both funders and other NGOs. The existing funders think there is room for improvement, though this could just be under reporting of network successes. In addition virtually all of the other NGOs consulted felt that TI could improve their interaction with other NGOs at the international level. For example at the UN climate convention talks. The perception amongst other NGOs is that (by NGO standards) TI is very well resourced and these resources are needed in this issue,

either more activity in networks and / or convening meetings / conferences. There appears to be no perception of risk of TI taking donor funds needed by other NGOs as none of the NGOs spoken to felt that they were competing for funds with TI. The other NGO's felt that TI's input was valuable in the setting up stages of global funds when there needs to be discussion of transparency and governance issues. The difference in approach between many NGOs and TI (many NGOs are (or are prepared to be) more confrontational than TI) was raised as a factor that could limit this cooperation.

Our recommended approach would be for TI to build capacity and awareness in other NGOs. This can be achieved through joint advocacy and use/ transfer of TI developed tools and techniques. There will be issues where collaboration would be productive, for example WWF and German Watch were both positive on the possibilities.

3.3.6 Develop a 'climate finance risk index':

It is apparent from our consultations, and our evaluation experience in general, that the current (and potential future) **donors for the projects would much appreciate more 'tangible impact indicators'** in future work. If TI can offer a concrete project with tangible results this will be much easier to attract funds for than a general 'programme'. However **corruption is not an issue which can be objectively measured**, so developing indicators which clearly show it reducing as a result of a project / programmes activities is difficult. The difficulty in defining clear indicators on levels of corruption is reflected in TI's most well-known product being called the 'perception of corruption index'.

We suggest that TI consider developing a suite of corruption perception indexes on a thematic basis and that one of these themes could be climate finance. Developing such a suite of indexes would be methodologically difficult, for example there would need to be an attempt to pick a comparable survey sample between the themes, which would not be easy. However the publicity that such an index would generate in combination with the likelihood that TI's actions would lead to improvements make it an option worth pursuing.

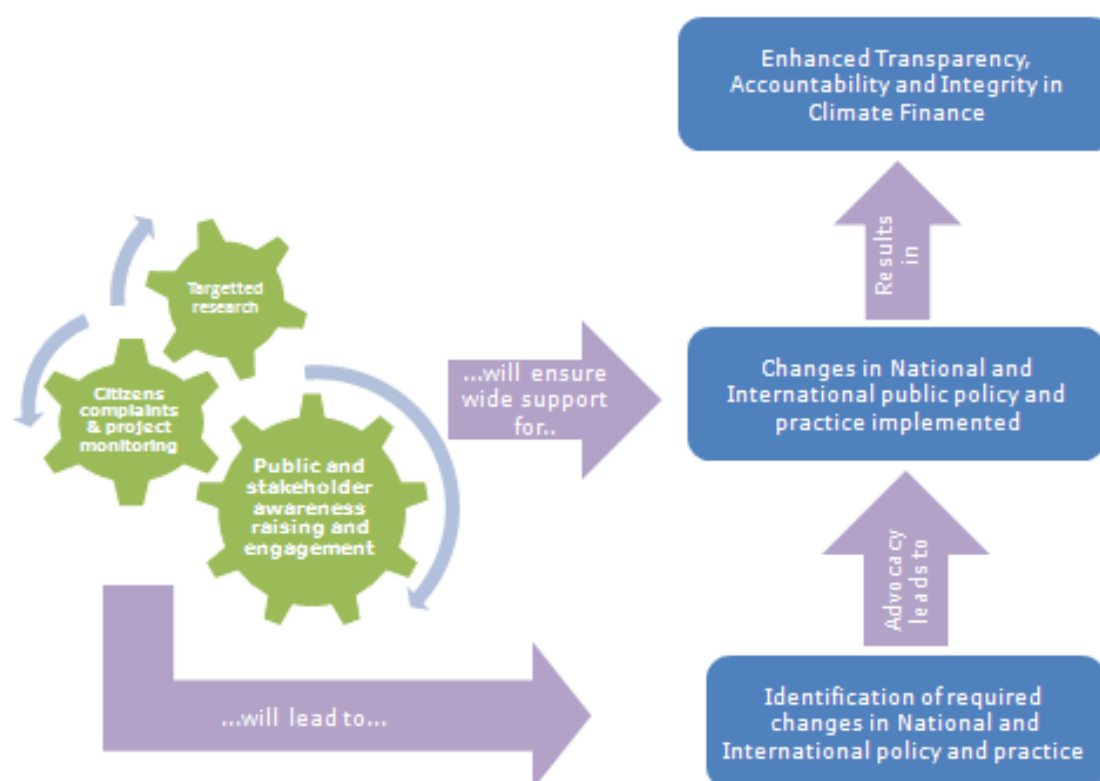
Annex A: Programme Logics

The Theory of Change

For all programmes a ‘Theory of Change’ can be created to explain the reasons for the programme’s existence and how its actions are intended to deliver against its objectives. The following description on the theory of change has been taken from the CFIP Draft Programme Document (January 2012) produced by the CFI project team at the TI-S in Berlin.

“The programme works to enhance transparency, accountability and integrity in climate finance at all levels: from global to national, from policy choices to project implementation, and from mitigation to adaptation. By doing so, systems and processes are strengthened and opportunities for corruption can be greatly reduced. This focus reflects TI’s interest in engaging with a multitude of both supportive and reluctant actors to bring about positive change in terms of implementing strong anti-corruption safeguards.

To bring about effective and sustainable change requires both clear identification of the required changes and widespread public and stakeholder support for implementing the desired change. The programme will seek to identify required changes through short and targeted research, using data and information from citizens’ complaints and project monitoring activities and engaging stakeholders in problem and solution identification. The programme will also seek to build widespread support for the changes through engaging with the public and stakeholders, as well as acting as a public watchdog. This people’s engagement will be undertaken primarily at national level by Chapters.

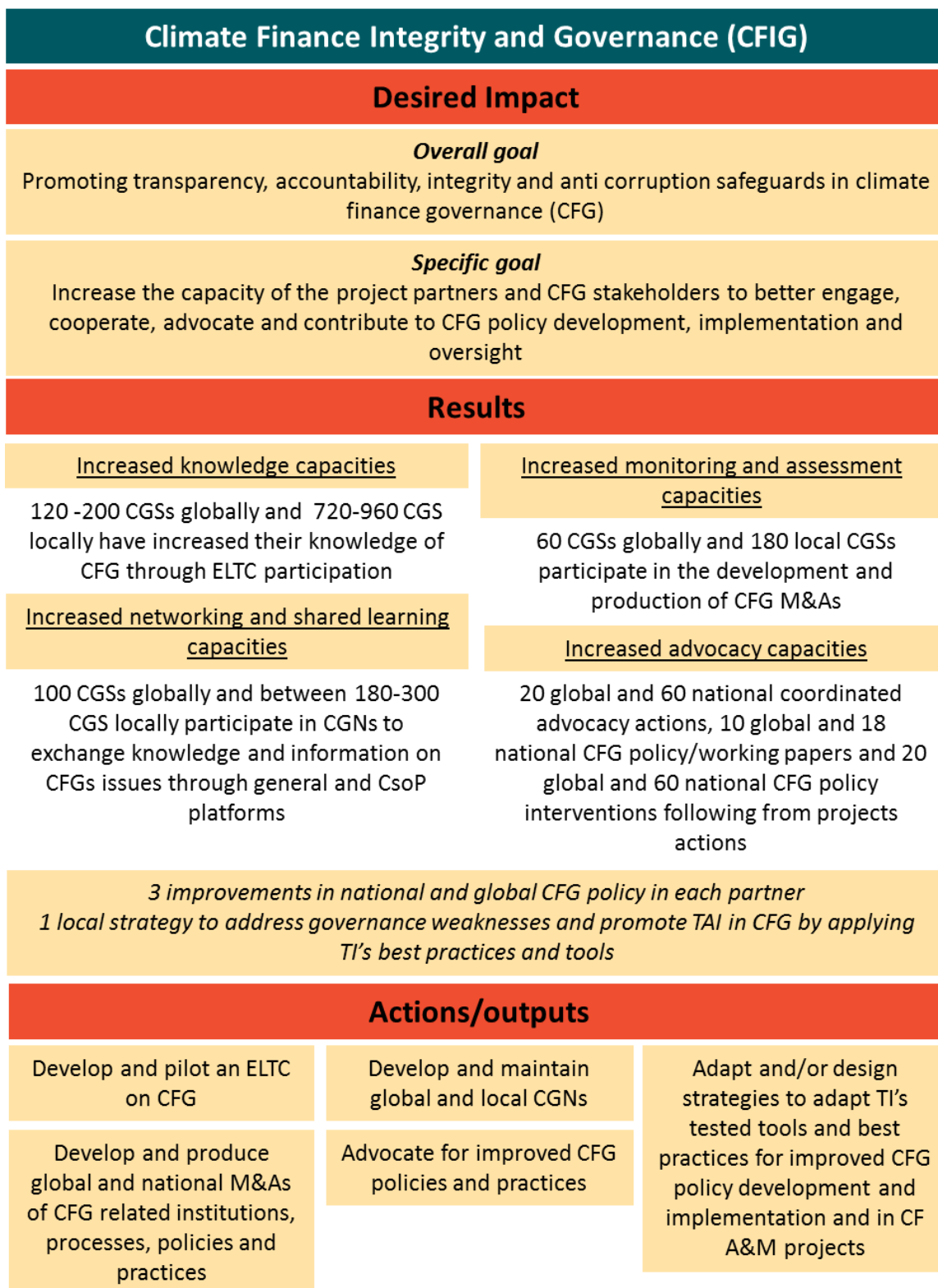


Just as climate finance is a global issue with a myriad of actors and institutions at different levels with multiple mandates, so the organisation and operation of the programme is truly global in nature. In climate finance recipient countries, Chapters work to monitor the use of climate funds within their countries, engage and increase public understanding and ensure that appropriate institutional and legal frameworks exist. In recognition of the policy and donor roles played by OECD countries, Chapters in these countries engage with their governments and, where they exist, international bodies, to ensure that they are supporting transparency and accountability measures within Climate Finance. TI as a movement seeks not only to undertake this work itself, but also to facilitate the engagement of others in this type of work.

TI-S' roles are to facilitate and coordinate these actions, focussing on global advocacy (acting as the 'go-to' organisation for policy recommendations) and partnership development, programme management (fundraising, research coordination, etc.) and monitoring, evaluation and learning to ensure that the TI Movement's interventions are focussed clearly on what is working. Given the complexity of climate finance as an issue and many diverse levels of engagement, the programme will seek to move towards a more networked and dynamic approach to the topic across the movement. This fundamentally recognises that different Chapters will engage at different times, at different levels of intensity and through different mechanisms.

Intervention Logic - CFG project

The following figure presents the intervention logic for the Climate Finance Integrity and Governance (CFG) project, funded by the German Ministry of Environment (BMU). It indicates the high level impacts, results and related project outputs.



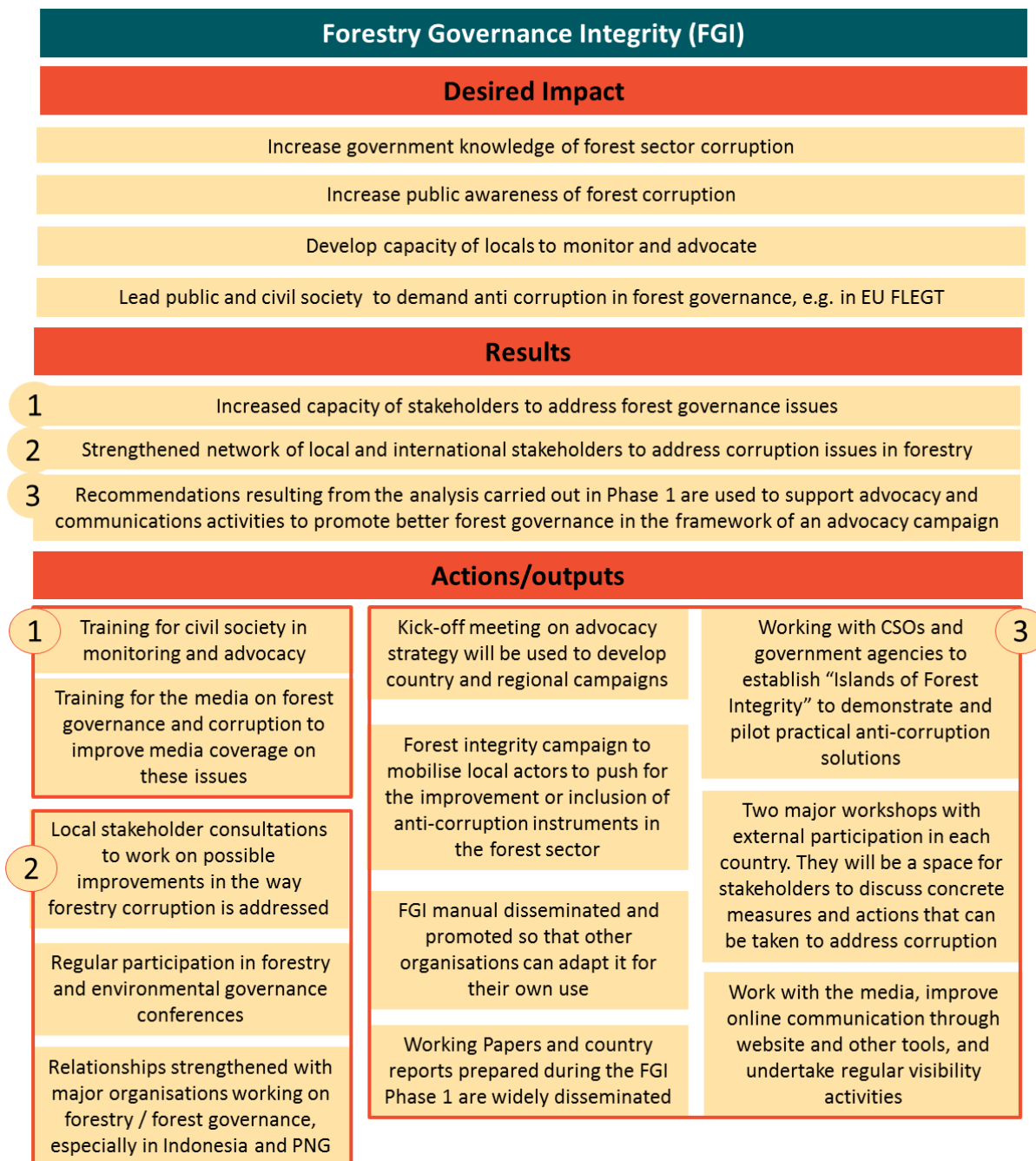
Intervention Logic - PAC REDD project

The following figure presents the intervention logic for the PAC REDD project, funded by the Norwegian Agency for Development Cooperation (NORAD).



Intervention Logic - FASA project

The following figure presents the intervention logic for the FASA project, funded by the German Ministry of Economic Cooperation and Development. It indicates the, at forehand, defined elements in the intervention logic: outputs/actions - results - impact (objectives).



Annex B: List of Consultees

TI Secretariat	Name	Function
		Programme Coordinator
		Programme Assistant
		Programme Officer
		Programme Manager
		Communications and Advocacy Coordinator CFIP
		Group Director – Chapters Network and Programmes
		Senior project accountant – finance Department
		Regional Outreach Manager Asia Pacific Department
		Research and Capacity Building Coordinator
		Programmes Director
TI Chapters		
Bangladesh		Project Coordinator
Dominican Republic		
Indonesia		Secretary General
		Dep. Secr. General and Manager forest/climate programme
		Project Officer FASA/PAC REDD
		Program Officer Forest Governance
		Finance Officer forest/climate
		Local manager Riau Province
Kenya		Climate Governance Officer
	Two team members	
Mexico		Executive Director
		Programme Coordinator
		Programme Officer
		Programme Assistant
		Consultant for Mapping & Assessment
Papua New Guinea		Programme Manager
Peru		Project Director
		Project Coordinator
Vietnam		Project Coordinator

External stakeholders (general)	Name	Function
Carbon Trade Watch		Founder and team member
GEF		Head External Affairs
GermanWatch		Team Leader - International Climate Policy
Global Witness		Team Leader

Greenpeace		Senior Political Advisor, Forests & Climate
Independent		Carbon trade expert
ODI		Research Fellow
World Bank / CIF		Stakeholder Relations Officer
		Deputy Program Manager
TI UK and WWF		Chief Executive
WWF		Climate Finance Policy Coordinator
		International Climate Policy Advocate
External stakeholders (Indonesia)		
Ministry of Forestry		Dir-General Forest Planning
Local government, Riau Province		Chief of Forest Service Unit
Geospatial Agency		Dep. Thematic Geo Information
ForTrust		Regional manager
Greenpeace Indonesia		Campaigner
Gurindam 12		Chief Redaction
LP3ES		Economic researcher
Telapak		Chief – Riau Territorial Body
WWF / SIAP II		Chief of Party
		Coordinator Communication
IWGFF / SIAP II		Coordinator better management
External stakeholders (Mexico)		
Consejo Civil Mexicano de Silvicultura Sostenible (CCMSS)		Researcher in Public Policy and Climate Change
Independent		Consultant, co-founder of Mexican climate finance group
Ministry of Environment (= Semarnat)		Deputy Director General for Climate Change Projects
Funders		
BMU		
NORAD		Adviser Civil Society Department
		Senior Adviser Civil Society Department

Annex C: Detailed Review of Project Outputs

The following tables present the outputs expected for each of the three sub projects. We have graded the achievement of these objectives in line with the following scale.

Fully and clearly delivered
Delivered with very minor concerns
Partially delivered but with clear justification why delivery was not complete
Partially delivered with some concerns
Not delivered, but with a credible justification or alternative
Not delivered, with no strong justification or alternative

It should also be pointed out that this assessment is based on the chapter level reports to TI-S, the TI-S reports to the donors and interviews with TI-S and TI chapter staff. We have reviewed some of the products but we have not (due to budget constraints) systematically sampled final beneficiaries to assess their opinions on the delivery and quality of the outputs that affect them.

Climate Governance Integrity Project

Bangladesh, Dominican Republic, Kenya, Maldives, Mexico and Peru

Project Outcomes, Outputs and Indicators	Achieved?
Outcome	
To contribute to promoting transparency, accountability, integrity and anticorruption safeguards in CFG globally and nationally	
3 improvements in national and global CFG policy per PC in response to recommendations from Project actions	Completed - but delayed till project end
1 local strategy per PC to address governance weaknesses + promote TAI in CFG via TI's best practices and tools	Completed - but delayed till project end
Outputs / work package goals	
Increase capacity of the PPs + CFG stakeholders to better engage, cooperate, advocate and contribute to CFG policy development, implementation and oversight	
Increased knowledge capacities - by ELTC participation; networking and shared learning capacities; monitoring and assessment capacities; advocacy	Completed - but delayed till project end, some variation between chapters regarding ELTC take up (translation related).
WP 1: To develop and pilot an ELTC on international CFG	
30-50 CGSs in global development, pilot and evaluation of the ELTC on CFG and at least 30-40 local CGSs per PC	Varied take up between chapters - delayed
90-150 CGSs globally and 90-120 per PC, participate in 3 pilots and feedback for further ELTC development	Delayed roll out - First modules delayed by lack of capacity. Secondary modules delayed due to need to complete research first
WP 2: To develop and maintain global and local Climate Governance Networks	
Approx. 100 participants in 1 global CGN and	Globally strong, variance between chapters -

Project Outcomes, Outputs and Indicators	Achieved?
approx. 30-50 in each PC CGN	some chapters joined existing networks
At least 6-8 communities of practice (CsoP) developed and maintained	Also developed via research activities
WP 3: To develop and produce global and national M&As of CFG related institutions, processes, policies and practices	
60 CGSs in development, pilot and evaluation of 1 global CFG M&A, 30 local CGSs per national CFG Mapping, 30 local CGSs per national CFG Assessment	Took longer than expected - still not all published and available - should be a good tool when ready - if the quality is consistent
1 Global CFG M&As, 6 National CFG Mappings, 6 National CFG Assessments	Research took longer than predicted - launch mid 2013 - should be a good tool when ready - if the quality is consistent
WP 4: To advocate for improved CFG policies and practices	
Approx. 15 advocacy actions globally and 5 in each PC CGN	Carried on till project end - globally strong, variation between chapters but justified by local conditions and practices
Approx. 10 TI policy/working papers, reports globally and 3 in each PC	Variation between chapters but justified by local conditions and practice
Approx. 20 interventions in international fora, approx. 6 in each PC national CF fora	Variation between chapters but justified by local conditions and practice
WP 5: To adapt and/or design strategies to adapt TI's tested tools and best practices for improved CFG policy development and implementation and in CF A&M projects	
At least 6 PC strategies are developed by PPs in concert with key national CGSs demanding use of TI tools developed to address identified governance weaknesses or corruption risks	New tools also developed, quality is not yet possible to fully judge - as they are not all released.

Forest Governance Integrity (FGI) - including (phase 2): Forest Anticorruption Solutions and Advocacy (FASA)

Indonesia and Papua New Guinea

Project Outputs: main components:	Indicators	Achieved?
Result 1: The capacity of stakeholders to address forest governance issues has increased		
1.1 Training for civil society in monitoring advocacy	Increase by 25% of number of CSOs participating in trade workshops and consultations More CSO views incorporated into timber legality assurance + forest certification schemes	Indonesia: 4 workshops/2 other meetings that were visited well. PNG: 8 workshops reaching 63 CSOs
1.2 Training for media on forest governance and corruption to improve media coverage on these issues	Local media coverage increased by at least 25%	Indonesia: 10 large media organisations involved - with supporting follow-up + 1 media training in Riau. PNG: 1 media training, 30 participants with follow-up publications
Result 2: Network of local and international stakeholders to address corruption issues in forestry is strengthened		

Project Outputs: main components:	Indicators	Achieved?
2.1 Local stakeholder consultations to work on possible improvements in addressing forestry corruption is	Number and scope of partnerships/collaborative work initiated or continued (at least 8 partnerships, formal or informal way) Participation of stakeholders in consultations increased by at least 30%	Indonesia: played role in 3-4 consultations (incl public hearings) PNG: similar no. stakeholder consultations + involved
2.2 Regular participation in forestry and environmental governance conferences		TI-S participated in 3-4 high-level conferences on REDD+. Chapters involved in international workshops at local level
2.3 Relationships strengthened with major orgs working on forestry/forest governance, especially in Indonesia, PNG		3 international collaborations; multiple collaborations in Indonesia; PNG: partnership EFF, FIA, SGS and FLEGT
Result 3: Recommendations resulting from the analysis carried out in Phase 1 are used to support advocacy and communications activities to promote better forest governance in the framework of an advocacy campaign		
3.1 Kick-off meeting on advocacy strategy will be used to develop country and regional campaigns	Local media coverage of forest governance, especially corruption issues, has increased by at least 25% At least 20 organisations willing to engage in promoting better forest governance or using our tools/research Website visits have increased by at least 30% At least 1 ‘Island of Integrity’ established in both countries	Kick-off meetings have taken place
3.2 Forest integrity campaign to mobilise local actors to push for the improvement or inclusion of anti-corruption instruments in the forest sector		(at least) 3 educational campaigns have been developed; animation movie from Indonesia (with 550+ views); PNG had information booth + 10-day educational camp for youth
3.3 FGI manual disseminated and promoted so that other organisations can adapt it for their own use		Country manuals have been developed and produced + good (external) recommendations
3.4 Working Papers and country reports prepared during the FGI Phase 1 are widely disseminated		Indonesia: 11.000 views of articles and publications, PNG: 65 copies of report disseminated, 70/80 copies FASA Phase 1 distributed per international conference
3.5 Working with CSOs and government agencies to establish ‘Islands of Forest Integrity’ to demonstrate and pilot practical anti-corruption solutions		Meetings and dialogue in Indonesia and PNG, but no ‘Island of Forest Integrity’ has been established yet. In Indonesia an Integrity Zone and Corruption Free Zone are on the board - with

Project Outputs: main components:	Indicators	Achieved?
		guidance from TI.
3.6 Two major workshops with external participation in each country. They will be a space for stakeholders to discuss concrete measures and actions that can be taken to address corruption		1 workshop has taken place in Indonesia in December 2012 + follow-up meetings appear to be in progress.
3.7 Work with the media, improve online communication through website and other tools, and undertake regular visibility activities		Communication activities/materials produced, emphasis on social media (i.e. Twitter), and blogs on TI website

Civil Society Capacity Building for Preventive Anti-Corruption measures in Reducing Emission through Deforestation and Degradation mechanisms (PACC REDD)

Vietnam, Papua New Guinea and Indonesia

Project Outputs: main components:	Achieved?
Internal capacity is built in Forestry Units within TI Chapters in the participating countries: Staff hired and trained;	Some delays - transfer of skills (forestry to climate finance)
Increased CSO capacity to participate in REDD+ policy developments and to monitor public and private sector participation in REDD+	Global and chapter level activity
TI's forestry corruption risk map and monitoring tools are adapted for REDD+, based on global stakeholder consultation meeting.	Completed and published in 2012?
Country specific REDD+ anti-corruption tools developed; interventions areas for transparency initiatives identified in national REDD+ negotiations and payment mechanisms.	Took longer than expected due to need to build capacity
Regular tool use training workshops held to design and lead campaign for inclusion of anti-corruption tools in REDD+.	'Island of integrity' approach
Targeted meetings and workshops are held to build a network of individuals, government representatives, and CSO groups to identify where civil society monitoring could be useful and not adversarial.	Initial research has involved this approach - this has arguably achieved the same result.
Year two onwards, campaign created to build interest in issue and develop CSO monitoring capacity. A REDD+ integrity campaign developed to mobilise local actors to push for transparency criterion in REDD+ mechanisms.	Research has shown that baseline knowledge levels are very low. Extensive global and chapter level activity

Project Outputs: main components:	Achieved?		
An annual regional conference is organised in year two and year three with government departments and agencies to showcase best practices related to transparency and integrity mechanisms in REDD+ schemes.	Assumed to have occurred and/or be scheduled		
An on-going REDD+ dialogue forum for civil society actors and government representatives is established.	Dropped - other communication methods achieving the same. The nature of what this was not clearly defined in the proposal.		
Anti-corruption tools for timber certification and chain of custody developed in consultation with timber certification associations. In Year Two and Year Three training workshops on these tool use are held for the private sector.	Adjusted to a series of meetings to work toward this		
Outcomes	Indonesia	PNG	Vietnam
1. Improved government and civil society capacity in project countries to advocate for, develop and establish anti-corruption measures in REDD+ payment mechanisms			
1.1: # of CSOs taking on corruption as a specific issue in REDD+			
1.2: # CSOs able to collect sound and persuasive data on potential risk areas in REDD+ mechanisms and existing anti-corruption mechanisms	79	74	4 (+?)
1.3: # of CSO anti-corruption representative invited to contribute to development of REDD+ policy at national and local level	y	TI+ 2	TI plus?
1.4: # of clear measures designed to prevent corruption present in REDD+ payment mechanisms	y		y
2. Improved transparency, accountability and integrity of forest governance institutions dealing with forest and carbon financing, forest assessments, protected area management, additionally requirements and forest certification schemes.			
2.1: # of initiatives adopted by forest governance institutions to improve transparency and accountability	1	0	2
3. Improved transparency, accountability and due diligence practices in REDD+-related financing, certification and auditing conducted by private sector organisations and financial institutions			
3.1: # of Private Sector organisations accepting meeting requests with Transparency International on transparency issues in forestry	7	1?	6 meetings
3.2: # of initiatives adopted by private sector organisations and financial institutions to improve transparency, accountability and due diligence	?	?	?

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