TIB-TM INTEGRITY TALK
CLIMATE FINANCE GOVERNANCE
TRANSPARENCY, ACCOUNTABILITY AND PARTICIPATION

ORGANIZED BY
Transparency International Bangladesh (TIB) and
Transparency Maldives
25-27 April 2018
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Conference Proceedings
TIB-TM Integrity Talk on Climate Finance Governance: Transparency, Accountability and Participation, 25-27 April 2018, Bangkok, Thailand

This proceeding is the outcome of the three-day Integrity Talk on Climate Finance Governance: Transparency, Accountability and Participation. It contains the discussion of session moderators, panelists and participants compiled from the notes taken by the respective rapporteurs.

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<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>LDC</td>
<td>Least-Developed Country</td>
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<tr>
<td>SDG</td>
<td>Sustainable Development Goals</td>
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<td>CSO</td>
<td>Civil Society Organization</td>
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<td>CSR</td>
<td>Corporate Social Responsibility</td>
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<td>CPI</td>
<td>Corruption Perception Index</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>GCF</td>
<td>Green Climate Fund</td>
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<tr>
<td>MRV</td>
<td>Monitoring Review and Verification</td>
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<td>NIE</td>
<td>National implementation Entity</td>
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<td>NAP</td>
<td>National Adaptations Plan</td>
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<td>PKSF</td>
<td>Palli Karma Shohayok Foundation</td>
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<td>NDA</td>
<td>National Designated Authority</td>
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<td>AMA</td>
<td>Accreditation Master Agreement</td>
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<td>MIE</td>
<td>Multilateral Implementing Entities</td>
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<td>LGIS</td>
<td>Local Government Information Service</td>
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<td>LECReD</td>
<td>Low Emission Climate Resilient Development</td>
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<tr>
<td>CFT</td>
<td>California Federation of Teachers</td>
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<td>PPR</td>
<td>Prairie Pothole Region</td>
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<tr>
<td>PPA</td>
<td>Power Purchase Agreement</td>
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<td>PPP</td>
<td>Public Private Partnership</td>
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<td>P2P</td>
<td>Peer to Peer</td>
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<tr>
<td>CBDR</td>
<td>Common but Differentiated Responsibilities</td>
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<td>ODA</td>
<td>Official Development Assistance</td>
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<tr>
<td>EE</td>
<td>Executing Entities</td>
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<td>SAI</td>
<td>Supreme Audit Institution (SAI)</td>
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<td>LGED</td>
<td>Local Government Engineering Department</td>
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<td>BWDBs</td>
<td>Bangladesh Water Development Board</td>
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<td>IIU</td>
<td>Independent Integrity Unit</td>
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<td>INDC</td>
<td>Intended Nationally Determined Contributions</td>
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<td>SAARC</td>
<td>South Asian Association for Regional Cooperation</td>
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<td>UNFCCC</td>
<td>United Nation Framework Convention on Climate Change</td>
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<td>TA</td>
<td>Technical Assistance</td>
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<td>HRD</td>
<td>Human Resource Development</td>
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<tr>
<td>ISET</td>
<td>Institute for Social and Environmental Transition</td>
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<td>IKP</td>
<td>Indigenous Knowledge and Practice</td>
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<tr>
<td>REDD+</td>
<td>Reducing Emissions from Deforestation and forest Degradation</td>
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<tr>
<td>CIPE</td>
<td>Country Investment Plan for Environment</td>
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<tr>
<td>SANBI</td>
<td>South African National Biodiversity Institute</td>
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<tr>
<td>CABELI</td>
<td>Central American Bank of Economic Integration</td>
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<tr>
<td>DCAP</td>
<td>Direct Climate Action Platform</td>
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<td>EIP</td>
<td>Environmental Integrity Project</td>
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<td>BCCSAP</td>
<td>Bangladesh Climate Change Strategy and Action Plan</td>
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<td>NAPA</td>
<td>National Adaptation Programme of Action</td>
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<tr>
<td>CPEIR</td>
<td>Climate Public Expenditure and Institutional Review</td>
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<td>CFF</td>
<td>Climate Fiscal Framework</td>
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Message from Executive Director

From the time of the Rio Convention in 1992 to the recently concluded COP23 in Bonn, developed countries have made commitments to mobilize meaningful financial support for climate adaptation and mitigation by the countries that are most vulnerable to the effects of climate change. Especially developed countries have pledged 'new' and 'additional' $100 billion annually by 2025 to deal with climate change in developing countries. However, there is an increasing concern over the absence of concrete and time-bound commitments from the developed nations and scanty flow of grant-based public funds.

The inclusion of Goal 13 in the Sustainable Development Goals (SDGs) which calls for urgent action to combat climate change and its impact has indeed reinforced the significance of these commitments to ensure availability of climate finance. On the other hand, SDG 16 strongly reinforces the importance of governance, particularly transparency, accountability and participation in the use of climate finance. To secure direct access from Green Climate Fund (GCF) and other adaption funds, the implementing entities are also obliged to ensure transparency, integrity and anti-corruption measures in its fiduciary standards and environmental and social principles. In this context, Bangladesh and other developing country Parties need to work together for building individual and collective capacity to ensure the highest level of transparency, accountability, participation and integrity in climate finance related decisions including implementation of projects and programmes. Against this backdrop, it is imperative to share available knowledge on climate finance governance among concerned stakeholders and identify the future role of the Government, CSOs and think tanks in taking this forward.

Transparency International Bangladesh (TIB) and Transparency Maldives (TM) have mainstreamed climate finance governance work into its core activities. Major interventions in this sector include the research and monitoring of the state of transparency, accountability and participation in climate finance funding and conduct advocacy for effective utilization of climate funds. As a part of global movement against corruption in climate finance, currently TIB and TM are implementing a Transparency International Secretariat (TI-S) initiated project, namely, Climate Finance Integrity Programme. The project aims to ensure that corruption and corrupt behavior cannot and do not undermine climate change ambition, effective and equitable allocation of climate finance and ultimately the delivery of climate projects. It also aspires to strengthen cross-border cooperation and partnerships of civil society actors engaged with adaptation finance. Under this initiative, TIB and TM jointly organized the Integrity Talk on Climate Finance Governance: Transparency, Accountability and Participation held on 25-27 April 2018, Bangkok, Thailand. The event helped participants to share their experiences and results on transparency, accountability and integrity in climate finance governance with particular relevance to policy frameworks and institutional structures and supported them to improve mutual learning and sharing for both national and regional benefits.

This proceeding compiles deliberations of the above Integrity Talk organized by TIB and TM. We strongly believe that the collective knowledge and experience will contribute positively to move towards a better system of climate governance and the promotion of sustainable development.

Any suggestion on this proceeding will be highly appreciated.

Dr. Iftekharuzzaman
Executive Director, TIB

Mariyam Shiuna
Executive Director, TM
Background of the Integrity Talk

South Asian countries are among the most vulnerable to global climate change, with Bangladesh, the Maldives, Afghanistan, Pakistan, India, Sri Lanka predicted to be the worst affected. The Paris Agreement, adopted on 12 December 2015 aims to limit temperature rise and to protect the lives, livelihoods and economies of the people experiencing the effects of climate change. To ensure that corruption and corrupt behavior are not undermining climate change adaptation and mitigation ambition, Transparency International Bangladesh (TIB) and Transparency Maldives (TM) are implementing the Climate Finance Integrity Programme. The programme aim to contribute to achieving higher standards of climate finance policy regime through research, advocacy and capacity building of stakeholders for ensuring transparency, accountability and integrity in policies and practices in climate finance. As part of its continued efforts to strengthen knowledge on climate finance integrity and expand its network with relevant stakeholders in the field, TIB and TM organized a 3-day Integrity Talk on “Climate Finance Governance: Transparency, Accountability and Participation” in Bangkok on 25-27 April 2018.

Objectives of the Integrity Talk

The objective of the dialogue is to share concrete experiences and results on transparency, accountability and integrity in climate finance governance with particular relevance to policy frameworks, institutional structures and practices in participating countries and to explore the potential scope of mutual learning and sharing for both national and regional benefits. It specifically focused on:

- Current global and national climate finance architecture to facilitate dialogue among different stakeholder groups
- Identify ways to work together in the context of various challenges and opportunities of accessibility of vulnerable countries ensuring transparent, accountable and effective delivery consistent with commitments;
- Best practices & challenges in climate finance research, advocacy, monitoring & evaluation;
- Potential new entry points and verifiable indicators to measure success and strengthen transparency, accountability and integrity in climate finance governance;
- Accountability tools & processes for effective utilization of adaptation & mitigation finance; and
- Strengthen regional cooperation and collaboration to amplify national level climate finance governance work to the global level;

To know more about the background of the event please see the concept note here and the detailed programme schedule here.

Major Outcomes

1. The space for civil society is shrinking, therefore, it is important to conduct increased joint advocacy by creating alliances to learn from each other’s work
2. When different groups across government, civil society and the private sector work together, pooling their different skills with a common understanding, climate funds are more likely to reach the most vulnerable communities
3. There are sufficient policies on climate finance. What is needed are clear specific procedures and processes for tracking finance and ensuring that policies are implemented effectively on the ground. Civil society can play a key role in this stage
4. Climate vulnerable countries need more adaptation finance than is being provided. Broadening the pool of funding by exploring other financing sources and mechanisms, including the private sector, will lessen dependence on development aid and give climate vulnerable countries more agility to carry projects that are most important to them
5. Engage private sector to widen the ambit of climate financing for achieving the target of SDGs and the Paris Agreement
6. There is a consensus that project budgeting processes and regulatory frameworks should be more transparent and consultative so that governments can be held accountable
7. More needs to be done to ensure participation is more than just a tick-the-box-exercise, and vulnerable communities, including women and indigenous people, are actively engaged in decisions about their lives.

8. Agreeing on standards of good governance for the planning, monitoring and implementation of climate finance, through conducting a follow-up study on the adaptation finance governance standards, which can help to raise performance and ensure climate funds are used effectively. More coherence between different global agreements like the SDGs and the Paris Agreement can also help standardise good governance practices.

9. Expedite GCF project preparation and approval process, place an effective country grievances redress, formulate specific criteria for differentiating climate change and development project, adopt user friendly templates and procedure in order to provide prompt service on the basis of vulnerable countries’ needs.

10. Allow more grants rather than loan from the GCF for vulnerable countries prioritizing country needs for adaptation and mitigation.

11. Independ Integrity Unit (IIU) of GCF should focus more on investigating fraud and corruption allegations and grievances at local level.

12. Ensure that project implementers are accessible to citizens and engaging in citizen forums for decision making.

13. Provide civic education, develop effective communication channels with stakeholders to monitor project implementation.

14. Adopt more innovative technologies in climate finance to promote transparency in financial management.

Discussions of the Sessions

Opening remarks
By Professor Sumaiya Khair, Advisor Executive Management, TIB and Mariyam Shiuna, Executive Director, Transparency Maldives

Accentuating on the fact that climate change is one of the biggest issues of current time Sumaiya Khair, mentioned that Bangladesh and Maldives are particularly vulnerable and affected. As risk of corruption is high and climate finance being provided in these countries, it is important to find ways to ensure it reaches to those that really need it. Therefore, ensuring good governance, transparency and accountability in use of climate finance is essential and Transparency International is working on it. On the other hand, cooperation and collaboration with other stakeholders are essential to ensure TI’s work is effective and has impact. Making commitments for further cooperation, particularly regionally, this programme aims at showcasing research, tools and case studies in climate finance governance.

Mariyam Shiuna, Executive Director, Transparency Maldives (TM) described that there is a lot of conversation on Climate Change but hardly on climate finance. This is an opportunity to further push the conversation on climate finance and engaging with relevant stakeholders and general people.

Session 01: Transparency in Climate Finance: Perspectives from SDGs & Paris Agreement
Moderator: Brice Böhmer
Panelists: Aishath Saadh, Evelyne Batamuliza and M. Zakir Hossain Khan

Main issues raised in the kick off remarks
1. Transparency in climate finance
2. Linking the Paris Agreement and goals of SDGs
3. Financing the Paris Agreement and SDGs

Financing the SDGs- Business As usual Won’t Do
By Aishath Saadh Deputy Director General, SDGs Division, Ministry of Environment and Energy, Maldives

Financing the SDGs and the Paris Agreement: Multi-stakeholders are involved in climate finance and building blocks of the conversation on climate finance integrity, cross sector partnerships and technical assistance are key to achieving the SDGs. In terms of financing, the current initiatives are not enough to achieve SDG goals and more funding and collaboration is required. Development and climate financing
is no longer a mandate of the government only. As well as the government, the private sector and civil society are also essential and must be integrated throughout each stage of the financing process. Businesses can play a complementary role and often have new ideas and initiatives. However, the market does not tend to favor the poor. There is a role for the government to set a standard and put mechanisms in place to ensure the financing and ideas of the private sector can effectively benefit those that most need it. SDGs push for a focus on domestic finance. Often it is not money that is the issue, but the management itself of the money. Budgets should be consultative and targeted on vulnerable groups. Investment into good governance mechanisms is essential to ensure funding is used effectively and there are no leakages in the system. Budget processes should be focused on the long-term, rather than short-term gains. Investment into good governance mechanisms is also essential to ensure that funding is used effectively and there are no leakages in the system. Budget processes should be focused on the long-term, rather than short-term gains. Many countries are over-dependent on these mechanisms so we need to broaden the pool by looking at other sources and mechanisms of funding and financing, such as Islamic financing and strengthening civil society. Civil society has more access to reach the grassroots directly so can be a very cross-effective use of funds to directly reach the most vulnerable. Civil society is not just there for consultation. See the presentation here.

Perspectives on Transparency on SDGs and Climate Finance
By Evelyne Matamuliza, Governance of Climate Change Finance, UNDP Bangkok Regional Hub

Delivering the promises: There is no shortage of policy. Transparency, accountability, participation, inclusions are a given-in. They are the vehicle for driving more effective use of climate finance. However, we have to find the ways of collaboration to actually achieve these goals. We have mechanisms in places like voluntary national reviews and the high level political forum. We have SDG 13, we have the Paris Agreement (article 13 on transparency). The issue is- are we actually implementing what has been promised? Checking both the demand and supply side. Clear specific procedures and processes for tracking finance is the key thing that is missing. We have to find ways to build on all the policies and mechanisms in place to fix this weakness. See the presentation here.

Transparency in Climate Finance: Perspectives from SDG and Paris Agreement
By M. Zakir Hossain Khan, Senior Manager, Transparency International Bangladesh

Achieving SDGs and the Paris Agreement together: There is a number of discrepancies yet to be resolved in the Paris Agreement, particularly, the definition of climate finance need to be clearer. There is no clear commitment in the Paris Agreement in regards to adaptation; it depends on the willingness of developed countries. Some governments have strong commitments and are doing well, but still some governments are afraid to commit their fair share to the global pool of climate finance. The SDGs and the Paris Agreement can only be achieved together. There are many crosscutting goals. Blending the language from SDG 16 into the Paris Agreement and SDG 13 will help to achieve the goals; we should not only focus on the transparency framework, but also focus on other areas, such as SDG 16 in order to achieve the framework. Finance is the major part of the transparency of support aspect of the transparency framework. There are four phases to climate finance: allocation, access, delivery, implementation and monitoring. These four phases should be translated into the governance procedures of the framework. A “whole governance” framework is needed, centered around transparency, accountability and integrity standards. Not enough funds are currently available to achieve the goals in place and across the board; countries still have to improve their transparency of reporting to the UNFCCC. Community led projects are essential for climate resilience. SDG 16 is the backbone of achieving the SDGs, just as the transparency framework is the backbone of the Paris Agreement. Governance standards should be reflected across both the SDGs and the Paris Agreement to ensure they are achieved effectively. Even though the Paris Agreement and SDGs are not legally binding, not following through means jeopardizing the lives of millions of people around the world. See the presentation here.
Action Points

- There is concern of shrinking space for civil society and difficulties of working with media where governments are reluctant to share information, therefore, finding appropriate process of doing advocacy by the NGOs and CSOs at the national and global level is the prerequisite.
- There is shortage of adaptation finance, therefore, cross-cutting finance should be checked and analyzed for more clarity. Private sectors need to come forward and get involved, not only for financial gains, but also for supporting local communities and for working with the public sectors.
- “Selling” the SDGs is a big challenge and it is important to showcase what we are doing and share most of the tasks, activities and report them in more accountable manner for meeting SDGs.
- Climate finance budget should be medium term integrating the SDGs into the budget for ensuring the quality and inclusiveness.
- Agree on methods to broaden the scope of climate finance to eliminate over-reliance on traditional bilateral donors.
- Clear specific procedures and processes should be developed by NGOs in coordination with public and private entities for tracking climate finance.
- Carrying out more advocacy and cooperation between SDGs and the Paris Agreement and implementing standardized good governance practices across the board.
- NGOs and CSOs need to conduct consorted advocacy for making project budgeting process more consultative and change in the regulatory framework to hold the government accountable.
- The meaning of participation needs to be more clear and specific to ensure the participation of women and indigenous communities.

Session 02: Linking Policies and Practices for Safeguarding Climate Finance: GCF and National Climate Related Fund Perspective

Moderator: Sumaiya Khair
Panelists: Mohammad Iftekhar Hossain, Ibrahim Pam, Dr. Fazle Rabbi Sadeque Ahmed and Psamson Nzeka Nzioki

Main issues raised in the kick off remarks

1. Prospects and challenges with GCF in South Asian countries (Competence of recipient capacities in accessing funds, governance and adoption of safeguards related standards in project development, prioritization and its utilization)
2. Strengthening the capacity of GCF recipient countries and finding the ways of safeguarding climate projects (Capacity of National Implementing Entities-NIEs to GCF to address the governance concerns and grievances at the country level)
3. Measurement reporting and verification of climate finance issues in fund utilization

Prospects and Challenges in Green Climate Fund: Bangladesh and South Asian Perspective

By Mohammad Iftekhar Hossain, Deputy Commissioner, Government of Bangladesh and Former Focal at Bangladesh’s National Designated Authority (NDA) Secretariat to GCF

Challenges with GCF: Of the 10 most climate vulnerable countries, five are from South Asia. These countries have sufficient policies but not enough funding is coming from external sources and, in particular, it is difficult to receive funds from the GCF in a timely manner. While mobilization of the private sector is a core focus of GCF, delay in accreditation for GCF is a challenge. Notably, more than two thousand potential NIEs are struggling to get accreditation. It took 27 months to get preliminary approval for PKSF while signing Accreditation Master Agreements (AMA) is yet to be done which will enable them to receive funding. Under these circumstances, GCF funding procedure needs to be more user friendly to reduce the lack of clarity and increase the predictability in accessing. In GCF, co-financing is done in all 67 projects though there is no such provision mentioned in GCF decisions. GCF also has a tendency to include loan, particularly, it has allowed investment banks to allow 43% loan in projects instead of grant to vulnerable countries where adaptation is a priority. Without aligning with country procedure, different Multilateral Implementing Entities (MIEs) maintains different procedures, which undermine the country ownership.
Delay in disbursing fund: Disbursement of project fund from the GCF is lengthy and Bangladesh has not received the money yet for its first project even after getting approval since July 2015. It seems there is a hype about GCF funding which differs with reality in accessing GCF fund. The fund receiving country should be well informed about the actual state of climate projects. Fund receiving country also should pay attention to the proper utilization of fund that ensures the credibility of receiving more money from the donors when in need.

Capacity of national institutions to access funding: Bangladesh and Nepal are spending significant amount of climate finance from their domestic resources. Particularly Bangladesh is spending 6.36% of national budget and 1.19% of its GDP in climate related activities but strengthening NDA Secretariat and institutional development is required to get more accreditation as NIEs. Overall, initiatives for proper institutionalizations of climate finance is lacking in South Asian countries where involvement of ministries, local government institutions, households and private sector is necessary. Coordination among stakeholders is important to avoid duplicity of project concept and institutions need to pay attention to select right and complementary projects.

Differentiating climate change and development project: GCF sometimes objects to approve projects arguing to revise them differentiating climate change and development projects. Coming back to GCF with revised version is difficult, time consuming and challenging. However, it also requires capacity of the national institutions, which is important for smooth delivery of climate projects aligning with the national policy and planning. See the presentation here.

Linking Policies and Practices for Safeguarding Climate Finance
By Ibrahim Pam, Head, Independent Integrity Unit (IIU), GCF

Reviewing accreditation process: As of 76 projects are being approved by GCF and among them, 29% are focused on adaptation and 15% are accessed by public institutions, rest by regional and MIEs. The mandate of the IIU under article 68 of the GCF puts emphasize to primarily focus on investigating fraud, corruption allegations, and grievances. There are many GCF integrity policies and the delay in accreditation is to ensure fiduciary standards and put relevant policies in place to check transparency, accountability and integrity for safeguarding the finance. However, GCF Board recognizes the tediousness of the process for getting accreditation, which needs a revision.

Monitoring and accountability for project implementation: GCF monitoring and accountability framework mandates reporting requirements, risk-based monitoring, incentives and remedies for default and roadmap to re-accreditation. The framework also contributes to ensure integrity due diligence, mainstreams integrity frameworks in projects and programs. There are policies for procurement and awarding contracts in transparent and competitive ways. The provisions are also in place for proactive project reviews focusing on ensuring compliance with GCF integrity policies in project implementation. IIU also supports to counterparties and collaborating with different platforms and civil society organizations for bridging with local communities, ensuring accountability, overseeing and sharing knowledge. See the presentation here.

Linking Policies and Practices for Safeguarding Climate Finance: GCF and National Climate Related Fund Perspective
By Dr. Fazle Rabbi Sadeque Ahmed, Director (Environment and Climate Change), PKSF

GCF process of accreditation and accessing fund: Access to GCF fund is complicated and time consuming for national entities, particularly, for small national entities and LDCs. Some rules of GCF are not compatible for the national entities. To be accredited as a National Implementing Entities (NIE) PKSF went through a lengthy process which requires huge paperwork, institutional capacity, and financial ability. Bangladesh government recently published the country investment plan for environment, forest and climate change sector (CIP of EFCC, 2017). To implement the project/program government requires USD 11 billion for 2020. Based on the current estimate, the gap in funding is around USD 7 billion. To implement the National Determined Contribution of Bangladesh, it needs around 40 billion USD for adaptation and 30 billion USD for mitigation up to 2030. GCF needs to expedite its project approval process in order to provide prompt service on the basis of needs.
Challenges in designing and prioritizing GCF projects: Identifying and designing appropriate GCF projects for adaptation and mitigation is challenging for potential agencies in terms of selecting vulnerable areas and addressing social, environmental, financial and gender issues based on data and study to ensure the sustainability of the project. Under the enhanced direct action, PKSF is working with GCF for the last 16 months to get approval from the Board. How to prioritize the GCF project funding is also a key issue while fund that is coming is neither sufficient nor timely. Under the country program of GCF, around 71 concepts/project were shortlisted and out of them around 35 is in the priority category for the next few years.

Safeguarding implementation of GCF project: During the process of accreditation stringent evaluation of track record of NIE’s fiduciary and procurement standard and practice is done. However, regular change in the fiduciary templates and format by GCF compels the NIEs to develop new documents to align with the standards of GCF. To ensure transparency and disclosure, stakeholders’ engagement is mandatory for GCF implementing agencies. Though capacity development is a continuous process, capacity of the NIEs to monitor and evaluate the projects and availability of instrument to address the social environmental grievances is the prerequisite to become a NIEs. Nonetheless, GCF should give proper emphasis on proper management and compliance of these issues at the ground level through its monitoring and evaluation process. See the presentation here.

Stakeholder Engagement, Transparency and Disclosure of Information for Climate Finance to Implement GCF Projects –Kenya Case
By Psamson Nzeka Nzioki, TI Kenya

Policy framework for stakeholder engagement: Government policies and process of Kenya are profound for stakeholders engagement and its constitution allows access to information and participation, respect to environmental values, principles and public finance. For climate change, Kenya has very powerful National Climate Change Council which is chaired by President and Co-Chaired by Vice-President. The council represents stakeholders from CSOs, marginalized communities, academia, private sectors. Climate Change Act, 2016 also outlines policies to publicize all information and ensures meaningful public consultation to ensure the public contribution in decision making. TI Kenya is engaged with Adaptation Fund, GCF, REDD+ and acting as observer to the funds at the global level and providing policy inputs into the integrity policies at national level. Particularly they are assisting the funds in developing code of conducts, building capacity of NIEs and Executive Entities (EEs) on transparency issues.

Fundamentals of stakeholders’ engagement in climate finance: Accessibility of duty bearer’s and leaders to the citizens, opportunities of citizens to participate and engage in decision making forums on the matters that affect their lives are fundamental for stakeholder engagement. Providing civic education, developing effective communication channels with stakeholders, timely access of information, resource to facilitate public participation, ensuring sustainability of interventions and helping decision makers to get more insights and corruption risks are necessary for effective stakeholder engagement in climate finance. See the presentation here.

Action Points
- GCF should not be the only source of climate funding and countries should explore other sources. Paradigm shift can be achieved by clearly defining and focusing on climate change adaptation and mitigation attributes/activities/markers
- Though it is challenging, activism at national and regional level can influence the national representatives to submit their projects to GCF with proper consultation
- GCF Board should provide attention to reduce the delay in accreditation and simplify the formats, templates and the process of accreditation to make it more user friendly
- CSOs are natural ally of IIU and they need to play proactive role to reach and bridge the local communities, knowledge source for ensuring accountability and oversight
- GCF and IIU need to focus more on investigating fraud, corruption allegations, grievances and management issues at ground level during the project implementation
GCF should balance adaptation and mitigation projects based on country requirements, vulnerability, socio-economic condition, women and gender issue befitting the national planning procedure

- NIEs need to ensure meaningful public consultation, proactive disclosure of information, engagement of stakeholders in decision making, ensure the accessibility of citizens in forums to decide in matters that are affecting their lives
- Improved feedback mechanism and predictability in accessing project from GCF
- On the basis of common but differentiated responsibilities (CBDR), make the resources (finance, technology and capacity) available to the vulnerable countries soon.

Session 03: Climate Finance Governance Gallery: Showcasing good practices

Presenters: Be Leaf, Uthema, TI Bangladesh, TI Nepal, Alternative Energy Promotion Center (Nepal), Institute for Social & Environmental Transition (ISET) and GIZ

Main issues raised in the kick off remarks
1. Showcasing best practices (e.g video/TV documentaries, human stories, case studies, printed posters, information sheets, photos, cards and display brochures)
2. Tools to ensure good governance in climate finance

Poster Presentation

Be Leaf & Uthema, Maldives
Be Leaf and Uthema presented their work through photo stories. They focused on irreversible damage, loss and destruction of mangrove ecosystem of Kulhudhuffushi Island in the Maldives.

Transparency International Bangladesh
Displaying pictures, cards, and brochures, TIB presented the process of tracking climate projects and the tools (e.g public hearing) that are used for engaging community people and project implementation authority. Such tools create the opportunity for the project beneficiaries to lodge complaint and grievances for promoting transparency at the local level.

Transparency International Nepal
TI Nepal displayed picture cards and presented social accountability tools such as-integrity pledge, report card, grievance collection, public hearing, which they use to engage relevant stakeholders for promoting transparency accountability and integrity in climate finance.

Alternative Energy Promotion Center (AEPC)

Institute for Social & Environmental Transition (ISET) - Nepal
ISET presented a poster on “Climate Change Adaptation: Role of Indigenous Knowledge and Practices (IKP)”. In Nepal, increasing drought, unprecedented floods and other disasters are causing damages to local infrastructures and irrigation systems while climate change is exacerbating the vulnerabilities. As custodians, local communities use IKP tools to manage available ecosystems, resources and its services by preserving local culture and society specific knowledge. ISET also presented findings of their different publications on climate finance. See the poster presentation here.

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
GIZ presented on Peer-to-peer (P2P) Learning Alliance tools. The tool provides a strategic nexus in which integrity, anti-corruption and climate readiness expertise reinforce each other to provide a meaningful effect. The Alliances give peers the opportunity to learn from each other in a safe space to share tacit knowledge and experience that is invaluable in dealing with the non-technical/technical challenges of accreditation related to climate finance integrity. Through action learning alliance, members achieve the knowledge to increase the effectiveness of their institutional integrity and identify potential resources to do so. See the presentation here.

See all the poster presentations here
**Video Presentation**

**Solar Energy in Bangladesh**
By Infrastructure Development Company Limited (IDCOL), Bangladesh

IDCOL presented the video documentary titled Solar Energy in Bangladesh. The documentary highlighted the advancement and use of the solar energy across Bangladesh, which is positively influencing the lives of millions of people who are living in rural areas and helping to extend the working and reading hour; empowering women; reducing poverty and mitigating climate change impact. See the video documentary [here](#).

**Dreaming Forest**
By Urban Forest, Pakistan

Urban Forest presented the documentary on Dreaming Forest. It was inspired by Mr. Shubhendu Sharma whose institution namely “Afforest” was creating small forests in India using the Miyawaki method. It started from a small tree plantation project in a small park in Karachi. The initial success of the project helped the creation of Urban Forest Organization and then they started planting indigenous trees and species in public lands, parks in Karachi and Lahore. To conserve local habitats, the plantation is forming natural vegetation and new ecosystems by attracting local faunas and birds and positively influencing health of residents living in urban areas. Using the Akira Miyawaki method, they are dreaming of bringing back the forest and indigenous species, which existed thousands of years ago. See the video documentary [here](#).

**A Story on Indigenous Knowledge for Adaptation**
By Institute for Social and Environmental Transition (ISET)-Nepal

ISET presented “A Story on Indigenous Knowledge for Adaptation”. The documentary illustrates the use of indigenous and local knowledge to ensure best utilization of traditional canal water for sustainable adaptation. Using indigenous knowledge and practices, Argaili Irrigation System is sustainably managed for production of rice and other cereals by the local communities in Nepal for about the last five hundred years. The irrigation system has historical significance for practicing collective actions through allocating and distributing water for irrigation equitably to all stakeholders. See the video documentary [here](#).

Other documentaries that are showcased in the event were Integrity in Climate Finance Governance Voice from Bangladesh, Chocolate, Climate Change Effects Stories from Maamendhoo Mabassaa, Ma Bassaa, Climate Change Impact on Gaaf Dhaal Atoll. Click the links to see the documentaries.

**Action Points**
- The unique tools are useful and we need to explore more ways for engaging different sectors and stakeholders in climate finance
- Creating more awareness and engaging community people will ensure transparency and good governance in climate finance.

**Session 04: Regional Cooperation and Collaboration for Integrity in Climate Finance Governance**

**Moderator:** Dr. Abdulla Naseer  
**Panelists:** Sandeep Roy Chowdhury, Tabinda Areeb, Marcus Zamaitat

**Main issues raised in the kick off remarks**
1. Regional cooperation and collaboration for integrity in climate finance governance
2. Meeting the commitment in Intended Nationally Determined Contributions (INDCs)
3. Innovative financial instruments for climate finance

**Regional Cooperation and Collaboration for Integrity in Climate Finance Governance**
By Tabinda Areeb, Social Policy and Development Centre (SPDC)

**Meeting the commitment of INDC:** To be more transparent, it is important to find the way of tracking the voluntary commitments of INDC. Lack of transparent financial management remains a hindrance to
acquire finance while governments need to prioritize climate change finance as an important issue. Amongst South Asian countries only India and Sri Lanka has the reference of gender and women’s empowerment in INDC.

**Finding innovative financial instruments for climate finance:** In climate finance, the role of private sector is untapped. Particularly corporate social responsibilities (CSR) and public-private partnerships have potential to generate domestic climate finance. Private sectors need to come forward to contribute through these windows. There is also limited research at regional level. Along with South Asian Association for Regional Cooperation (SAARC), the collective action and voice of the existing institutions are required to mainstream climate governance issues. See the presentation [here](#).

**International Peer to Peer Learning Alliance (P2P-LA) on Climate Finance Integrity**

By Marcus Zamaitat, GIZ

P2P-LA focuses on actors, roles, peer learning, and action planning in climate finance. To get access in climate projects in developing countries the P2P emphasis on readiness support on anti-corruption, integrity, fiduciary standard, transparency, accountability and prohibited practices of institutions. For learning and sharing, the approach involves government and NGOs, which are accredited, or seeking accreditation of a multilateral climate fund. P2P learning incorporates a unique approach emphasising on the importance of ‘tacit’ knowledge, which has softer and more political dimensions to bring change. P2P stresses on ensuring collaboration among stakeholders and meaningful management. The tool also focuses on strengthening institutions to ensure country ownership, direct access and inclusiveness. P2P works for raising collective voice to advocate at international forums to increase climate funds. See the presentation [here](#).

**Increased Transparency & Effectiveness in Climate Finance in the South Asian region**

By Sandeep Roy Chowdhury, VNV

South Asian countries manage a substantial fund from domestic sources and it is important to track the proper implementation of the local funds side by side the international funds. Alongside transparency, ensuring more climate finance being accessible directly to the implementation agencies on the ground is prerequisite. For this we need to widen the ambit of financing and countries should put more emphasis to create own financing structure. Private sector involvement can leverage the finance. Proper documentation and sharing of regional activities in a simple manner without compromising transparency can bring good governance.

**Action Points**

- Civil society and private sector needs to get involved to find more ways for public financing and formulate an outline for self-financing
- Explore more ways to access international financing
- Countries need to find the ways to resolve the issues of loss and damage
- Finance directly to implementing agencies for ‘needs based’ and small scale projects
- P2P approach can be used to operationalize institutions and safeguard climate finance.

**Session 05: Concrete Experiences and Results on Transparency, Accountability and Integrity in Climate Finance**

**Moderator:** Ian Tellam

**Panelists:** Abdulla Shujau, Yogendra Nath Subedi, Mahfuzul Haque, Shaziya Ali

**Main issues raised in the kick off remarks**

1. Concrete experiences and results in transparency, accountability and integrity in climate finance in South Asian countries under the Paris Agreement
2. Good practices to ensure integrity in climate finance

**Sharing Experiences & Results on Transparency, Accountability & Integrity in Climate Finance**

By Abdulla Shujau, President, Baa Maalhos Island Council, The Maldives
Challenges to ensure integrity in climate projects in the Maldives: Maalhos Island of the Maldives is facing climate change impacts while growing tourism and human activities are adding with it depositing organic waste and creating the environment management more difficult. To fight against this adversary, government of Maldives has been carrying out projects on integrated water, waste and environmental management and awareness. Baa Maalhos Island Council has uncovered some challenges in this projects which includes poor design, lack of monitoring mechanisms, shortage of community consultation, unfair bidding processes, inadequate baseline studies, inaccurate reporting and irrelevance of some project components. Some positive actions are also taken to compost the waste and sell it under business model. People have also stopped using single-use plastic. As a result, there is no waste on the beaches. Baa Maalhos Island Council is providing training on governance issues to local organizations and sharing their tracking experiences. See the presentation here.

Challenges and Opportunities of Climate Finance Governance- Country experience of climate projects in Nepal
By Yogendra Nath Subedi, Senior Researcher at the Institute for Social and Environmental Transition, ISET-Nepal

ISET conducted a number of studies on climate finance with Oxfam and TI Nepal and found the challenges in prioritizing projects; difficulties in balancing fund allocation for adaptation and mitigation and differentiating adaptation and development projects, defining responsibilities of stakeholders in transparent and accountable manner. There are many policies in place in Nepal, but all are not adhered (e.g the climate policy 2011 says 80% of funds should be utilized at the local level but in practice it is less than 50%). Climate change is often considered as a cross-cutting issue and receives less attention. Other challenges are- lack of institutional capacity, overburdened local bodies, transfer of government officials, and poor access to reliable data along with others. The planning process is often ad hoc and does not account for context. Coordination between donors and local institutions are cumbersome. Some positive initiatives are also taken which lead to the creation of a system such as climate budget code and climate responsive budgeting. As an increased number of climate projects is implementing, vulnerability assessment tools are gradually improving and improved policies and rules are being adopted. See the presentation here.

Climate Adaptation Finance Governance Standards
By Ian Tellam, ADAPTIFY

The concern of complex and fragmented funding landscape and poor governance in climate finance lead to conduct the pilot study on “Climate Adaptation Finance Governance Standards” by TI-Bangladesh and Transparency Maldives. Many governance standards exist around the world from different sectors but such a standard is absent in climate finance. To develop and create governance standards in climate finance, coming up with an appropriate methodology is the key. To conduct the study, four stages of climate finance, five governance criteria, and four stakeholder groups were involved. An online survey was conducted in Bangladesh and Maldives among the stakeholders, which helped to create the baseline for the standards. Two workshops also took place in Bangladesh and the Maldives to validate the baseline findings and agreeing on the ideal standards and come up with agreements to improve the performance. The assessment is planned to be carried out cyclically to assess the progress towards the governance standards. See the presentation here.

Concrete Experiences and Results on Transparency Accountability and Integrity in Climate Finance-Bangladesh
By Mahfuzul Haque, Programme Manager, Transparency International Bangladesh

The pilot research on Adaptation Finance Governance Standards, carried out by TIB unveiled various governance deficit in Bangladesh to reach the ideal standards, which includes inadequate disclosure of information, participation and consultation. Absence of policies for the code of conduct, conflict of interest, compliant and grievance redress system is also the major obstacles to reach the expected standards. Some unresolved issues at international level (e.g. inadequate funding, the debate of loans versus grants, adaptation versus mitigation, double counting Official Development Assistance-ODA finance with adaptation finance) is also complicating the implementation of national policies. The study
also indicates that there is room for improvement of governance performance especially across the components of transparency, accountability, integrity, and participation while coherence is slightly better performing in general than other areas components. During the research validation workshop, the consensus is drawn on general findings and key recommendations were agreed upon by the stakeholders for improving the governance performance. They also laid out a pathway to enhance transparency in climate finance projects in Bangladesh. See the presentation here.

Climate Finance Governance Standards-Maldives
By Shaziya Ali, Senior Project Coordinator, Transparency Maldives (TM)

The findings of the study on Climate Finance Governance Standards in the Maldives reflects that the Ministry of Environment administers most of the climate funds and CSOs have low capacity to influence the authorities. The private sector engagement in climate finance is also low. Though donors have the positive influence on stakeholders that are responsible for ensuring good governance in climate finance are actually not based in the Maldives. The study recommends increasing private sector engagement, making information easily available and understandable, ensuring the independence of oversight bodies, strengthening local councils to act as an intermediary with communities, government, and donors, and establish mechanisms to hold them accountable. Stakeholders also need to explore the available opportunities for meaningful participants, consultation, and engagement which is most often ignored. See the presentation here.

Action Points
- Ensure proper implementation of national policies and conduct effective monitoring and evaluation
- Addressing the methodological limitations and a small number of stakeholders/samples a follow-up study on the adaptation finance governance standards will be done by TIB and TM.
- UNDP is interested to adopt the unique method of the pilot adaptation finance standards assessment conducted in Bangladesh and the Maldives to measure the governance standards. UNDP would share the report with TI.

Session 06: Finding New Entry Points, Process & Tools for Integrity in Climate Finance

Transparency: TI Chapter, CSOs, Governments, Development partners

Moderator: Psamson Nzeka Nzioki
Speakers: Shahzad Qureshi, Ian Tellam, Glenn Hodes

Main issues raised in the kick off remarks
1. Success factors for mainstreaming climate action and overcoming governance challenges
2. Finding new entry points for advocacy, new technological innovations to improve integrity and transparency in climate finance

Principles for transparency in climate finance: UNDP experience for country-centered success factors and tools
By Glenn Hodes, Climate Policy & Finance Specialist, Bangkok Regional Hub, UNDP

Transparency is a key factor for holding institutions more accountable to those who have most at stake in climate change. For climate finance, countries need to consider country-specific success factors, tools, and criteria when setting out principles and systems for increased transparency. UNDP conducted studies in Bangladesh and the Philippines involving principles of transparency, participation, and oversight of climate finance that also looks at how fund flows are monitored at the local level. Employing freedom of information laws and rights-based approaches to climate justice can also be employed to promote transparency. Auditing of national funds and projects in Nepal and Bangladesh can also help stakeholders to understand and set the principles. Some new entry points for transparency in climate finance could be:
- Preparing guidebooks defining how different groups such as Parliamentarians can be involved in broader processes to increase accountability
- Tracking of fund flows down to the beneficiary level
- Embedding accountability mechanisms in policies and frameworks; for example, committee in Cambodia that reviews climate budgeting and priorities twice a year under its national CC Financing Framework
- Engaging media and journalists for doing investigative work in climate finance (e.g. UNDP/CPNE handbook on reporting on climate finance in Pakistan).

**Implication of Blockchain to Enhance Transparency**
By Ian Tellam, ADAPTIFY

Blockchain is a new technology that allows any kind of transaction across the internet to be automatically verified, without any need for administration or guarantees from any central authority. It uses a decentralized chain of computers that work together to approve exchanges made on the internet, before verifying them and recording them onto a decentralized database, in a way that cannot be altered later. This is a breakthrough that has solved the problem of trust for online exchanges and which has created the conditions for the next generation of the internet. Almost all major companies are starting to adopt blockchain. For example: Dow Chemicals, General Motors, IBM, Microsoft, Nestlé, Shell, Tetra Pak, Unilever and Walmart. There may be new opportunities to use blockchain technology to create positive social and environmental impacts. There are a growing number of use cases, for example: charitable donations; remittances; finance for small businesses; inclusive finance; impact investing; transparency in the fairness of labour agreements and environmental sustainability of produce in food supply chains; reporting in war zones; the creation of incentives for the efficient use of new and renewable forms of energy to combat climate change; improving access to education; increasing access to water; organising land title registries to reduce corruption; and providing refugees with verifiable identities to improve access to vital services and reduce the risk of corruption in humanitarian aid. Blockchain can reduce bureaucracy and fraud, make organizations more transparent and democratic, help to track the origins and movements of products, and encourage people and institutions to adopt fairer and more environmentally sustainable practices. Adaptify is providing trainings and advice to help organisations to use blockchain to improve social impact and accelerate sustainability. See the presentation [here](#).

**Dreaming forests, everywhere**
By Shahzad Qureshi, Founder, Urban Forest

Urban Forest is an organization based in Karachi, Pakistan, which brings innovative approach of urban tree plantation to prevent the crippling heatwaves. Using “Miyawaki Method” the initiative promotes fast-growing local species to help to bring natural vegetation in just three years. The species has ten times more growth and can get thirty times denser than normal plantation. It can retain rainwater, produce native fruits, attract birds and insects and improve air quality. In Lahore, they have planted more than 5500 trees in parks and public lands and they are expanding the initiative in Iran and Nicaragua. It plans to plant trees in the urban parks which will be self-sustaining through processing sewerage water or water stored in lakes. Private companies need to be a part of this solution to make it more sustainable, which has the potential to mitigate climate change impact. Private sectors should come up with funds to find these types of eco-solutions. Such private companies have members on the ground and can ensure climate finance is used locally and goes to the masses. The knowledge and networks of local private companies can help provide more transparent use of climate finance. See the [presentation](#) and the video documentary.

**Action Points**
- Adopt more innovative technologies such as blockchain, cryptocurrency in climate finance for building trust, effective monitoring for promoting transparency
- Develop specific and clear performance indicators at different stages of projects/funds for auditors to effectively measure outcomes
- Develop performance based budgeting in climate finance to bring specific outcome
- Involve private sector to scale up small initiatives to convert them into large projects
- Engage more media and track the number of reports and measure the quality of media articles to ensure media visibility.
Session 07: Developing Indicators to Measure Success and Outlining New Entry Points to Strengthen Climate Finance Governance Mechanism

Moderator: Thomas Vink
Presenters: Group1: Nazmul Haque; Group2: Humaida Abul Gafoor; Group3: Sandeep Roy Chowdhury

Main issues raised in the kick off remarks
1. Developing indicators to measure success in climate finance
2. Outlining new entry points to strengthen climate finance governance mechanism

Group-1: Advocacy and communication
By Nazmul Haque, Head of Investment, Infrastructure Development Company Limited (IDCOL)

Major discussion of the group rotated around how TI can conduct more effective advocacy and communication in climate finance governance. Major new entry points are-
- Identify and influence allies at national and regional level specifying ways to strengthen policy in climate finance
- Engage government, CSO and NGO actors for cooperation, sharing knowledge, ideas and create wider support to influence policy and reforms
- Develop and showcase more human stories particularly on women and indigenous people for awareness building as an effective tool to reach out to stakeholders
- Awareness and capacity building of stakeholders.

Group-2: Research and Policy
By Humaida Abdul Gafoor, Uthema, Maldives

The findings of this group discussion indicated the need for TI to adopt innovative approaches for data collection and generation. TI should focus more on people who are vulnerable so that they do not “fall through the gaps” and they must be reflected in the research. Above all, public access to information is very important and it needs to be ensured. Major findings of the group discussion are
- Identify potential research/research needs (e.g who is doing what regionally; tracking SDG 13 and climate finance; urban versus rural community-how climate change affects; revisiting vulnerability; effectiveness of reporting mechanism within funds; do the existing research sufficiently focus on the idea of vulnerability referenced by the SDGs) and decide who to conduct research
- Identify innovative ways of data generation for conducting research and ensure public access of information
- Build capacity of the institutions to monitor climate finance projects so that a researcher can figure out the best tools to conduct their research
- Enhance collaboration and cooperation among the stakeholders to conduct joint research.

Group-3: Partnership and Networking
By Sandeep Roy Chowdhury, VNV Advocacy

For strengthening climate finance governance, TI can better showcase their best practice tools through media. They also need to create new networking and partnerships for collaboration and reaching out wider stakeholders. TI can do more to leverage the existing local diverse groups; increase involvement with private and public companies, CSOs and academics and sensitize media for instilling better practices in climate finance. Empowering smaller civil society organizations and TI forming and leading a “Global Climate Governance Integrity Network” with the smaller organization can be very impactful.

See the group presentations here.

Session 08: Stakeholder Engagement for Transparency, Accountability and Integrity: Government, MDBs, CSOs

Moderator: Muhammed Aatish Khan
Speakers: Chris Wright, Mariyam Shiuna, Ashish Shumsher Thapa, Apollinaire Mupiganyi, Mukesh Ghimire
Main issues raised in the kick off remarks
1. Role of government, donors and MDBs to ensure institutional integration and transparency in reporting climate finance
2. Monitoring and evaluation of adaptation and mitigation projects
3. Social accountability tools to ensure stakeholder engagement, independent monitoring of adaptation project to counter governance challenges

Great Stories: the Levers of Climate Finance
By Chris Wright, Director, Climate Tracker

Style of storytelling and storytellers plays vital role in climate finance. There are no great stories without great storytellers. Investing in media is not expensive but significantly rewarding in terms of identifying risks in climate finance. There are 5 tips for investing in story tellers, which are - a) don’t limit your potential; b) invest in ambition, not experiences; c) invest in the management infrastructure to make your engagement powerful; d) invest in interpersonal outreach- if you want someone to do something valuable, treat them like they are valuable; e) train your storytellers to be better, but incentivize them to get better. There are three tips for making better stories, which are – a) Your audience is dynamic, stop giving them simple answers; b) Play with your perspectives, experience with new narratives; c) Meet your audience where they are, not where you want them to be. Media branding in complex national situation is important to understand reporting perspective. See the presentation here.

Social accountability tools for stakeholder engagement and independent monitoring of climate finance in the Maldives
By Mariyam Shiuna, Executive Director, Transparency Maldives

Being most vulnerable to climate change, the Maldives receives climate fund in the form of grants, loan and technical assistance. The country has a high perception of corruption and lacks the broader legal framework and political system. There is also shortage of political will to enforce laws. Closing space for CSOs, threats against human right and climate activists are also imminent challenges. In this situation, social accountability is a constructive way for engaging citizens with stakeholders in ensuring effective utilization of the delivered fund. There are four conditions for social accountability: empowering citizens, political/socio/ economic context, responsiveness, and access to information. Public officials need to be accountable, the civic forum needs to report the grievance, and corruption related cases. As a social accountability tool, Right to Information (RTI) is effective to reduce the information gap in supply and demand side. Capacity building of youths and concerned public information officers can be effective as well. Continuous follow up is bearing fruitful results. See the presentation here.

Role of Climate Finance Stakeholders in Nepal
By Ashish Shumsher Thapa, Executive Director, Transparency International Nepal

Climate finance stakeholders of Nepal play different roles from risk mapping to managing climate funds. There are some challenges in managing climate funds such as disclosure of information, compromising the credibility of CSOs, shortage of coordination among stakeholders. Coordination with the government in framing and adjusting policies and process is also necessary. Oversight of CSOs in disclosed data/information is useful for improved reporting. Media can play an important role to report anti-corruption issues especially in public procurement, which is a part of all projects. The current experience of TI Nepal in monitoring post-earthquake response has given this insight of the need of civil society vigil. Not only the government but also the local government and CSOs need to coordinate for creating environment for advancing anti-corruption agenda, especially in climate finance.

Climate Finance in Rwanda: Who is involved to address climate change adverse effects and for which impact
By Apollinaire Mupiganyi, Executive Director, Transparency Rwanda

Corruption Perception Index (CPI) score, economic growth, control of corruption, safety and security, women empowerment indicates that Rwanda is on the positive side after the 1994’s genocide. Now climate change is posing a serious threat to its sustainable development. Major international funds such as
Adaptation Fund, GCF and Climate Investment Funds (CIF) and national fund namely FONERWA are implementing climate projects in Rwanda. The executive entity of FONERWA is responsible for designing, managing, executing programs. To date, FONERWA has mobilized over USD 90 million. The mapping work of TI-Rwanda has identified some challenges such as—central government received almost 50% of overall funding, other stakeholders especially CSOs received very less amount. Regarding energy project, 59% of beneficiaries did not receive any training about its uses, 64% were not consulted during decision was taken, 60% CSOs did not take part in decision-making. There is no national climate policy on climate change and only outdated policy and law on environment exist. The government recognizes the importance of TI Rwanda’s work and the necessity of citizens’ participation, citizen lead independent monitoring and evaluation for effective utilization of climate finance. See the presentation here.

**Challenges in Stakeholder Management: Government's Perspectives for Managing Key Stakeholders in Climate Change Related Projects**


More than 12 ministries are engaged in Nepal to manage the climate change activities and the process of integration, managing and coordinating among different ministries, donors, stakeholders is very complex and critical. Managing the expectations of the stakeholders is also quite challenging. There are some potential risk of donor funds and some sense of donor influences are involved which includes, providing grants mostly for technical assistance, funds may not be in line with national priority, pressure of hiring experts and goods from their respective countries, diplomacy to impose the loan or conditional funding offers. However, effective networking for advocacy and community mobilization can help to bring transparency in climate finance. There are six basic principles for community mobilization, which are—organizational development, skill enhancement, capital formation, environment management, technology promotions and women’s empowerment. Social audit, public hearing, public audit tools are effective to promote transparency in Nepal. Apart from this, conducive policy environment and institutional mechanism and meaningful engagement are the keys for effective partnership to promote integrity in climate finance. See the presentation here.

**Action Points**

- Alternative social media should be adopted such as online news to communicate stories
- Sensitize media to make them more responsive and responsible, not to be polarized or slide with middle ground people
- Engagement of CSOs through risk mapping along with government for advancing the anti-corruption agenda in climate finance
- Use of social assessment tools for promoting stakeholders engagement and effective citizens’ participation and independent monitoring reporting and verification
- Effective partnership to promote integrity in climate finance.

**Session 09: Private Sector Finance in Climate Change Actions: Prospects and Challenges**

**Moderator:** Aiman Rasheed

**Speakers:** Ahmed Shifaz, Muhammed Aatish Khan, Nazmul Haque, Dr. Eunju Min

**Main issues raised in the kick off remarks**

1. The role of the private sector in financing and achieving SDGs and Paris Agreement
2. Engaging the private sector in climate change adaptation and challenges
3. Mainstreaming private sector in climate change and climate finance

**Private sector partnership in achieving the SDGs**

By Ahmed Shifaz, Assistant Resident Coordinator, UNDP, Maldives

UNDP Maldives is working for mobilizing and leveraging financing and partnerships for the implementation of the SDGs. Private Sector has the potential for diversified homegrown development investment opportunities. In 2016, they launched a private sector platform to help communities address their development challenges. They also developed the youth-driven social innovation called “Miyaheli”
which is the first Social Innovation Camp in the Maldives, calling for ideas from the youth to improve communities through ‘outside the box’ innovative solutions. They have other projects such as “Ukulhas Hydroponics” which aims at improving women’s access to markets; “Hullumale’ Smart City project” which provide solutions for cities; “Unite for Climate Action” which is a pool of private funding for community projects. See the presentation here.

Engaging Private Sector in Climate Change Finance: Challenges and Initiatives Undertaken to Ensure Transparency, Accountability and Integrity

By Nazmul Haque, IDCOL, Bangladesh

IDCOL is a fully government-owned financial institution, which implements various climate change adaptation and mitigation projects. Solar Home System (SHS) is a flagship climate change finance initiative of IDCOL which has 18 million beneficiaries. They also provide power, solar energy, solar irrigation, biogas, bio-fertilizer facilities, improved cook stove, green brick and other advisory services in a participatory business model ensuring ownership of stakeholders. It operates with an innovative financing structure (including down payment), an output-based subsidy system maintaining strong procurement rules. It has an independent Technical Service Committee, and a multi-tier monitoring system (including quality inspectors, third-party audits, and complaints mechanisms, Environment safeguard mechanism). By expanding the use of renewable energy, IDCOL is saving fossil fuel, firewood and contributing to women empowerment, extending study hours and accessing information in rural areas of Bangladesh. However, there is a need to mobilize and track climate finance from private sector, including micro-finance and crowdsourcing investors. See the presentation and the documentary.

The Role and Challenges of the Private Sector

By Dr. Eunju Min, Head of Planning, Department Institute of Busan, Korea

South Korea has climate change impact. Forest life is isolated and threatened with extinction and rice crop decreased by 13.1 percent. Energy planning in Korea is important and they have various policies and initiatives such as Nuclear Power Reduction Policy, Development of Energy Independent Village, Green Home Supply Project. However, government is gradually mainstreaming private sector, mobilizing private resources in climate change. However, it is important to find ways to track the flow of private resources, technology transfer and motivate the private sector to participate for long-term benefits. Ensuring citizen participation and setting the definition of private climate resource is also necessary. See the presentation here.

Action Points
- The procedure of mainstreaming private sector and funding needs to be faster and agiler
- Establishing a clear definition and better understanding of the role of private sector is pivotal.

Session 10: Outcomes/Summary of the event

Participants of the Integrity talk are deeply concerned about the shrinking space for civil society and climate activists in the South Asian region. The executive directors of TI chapters shared concern over shrinking civil society space and issued a joint statement calling for Transparency and Accountability in Climate Finance. The joint statement is here.