

Transparency International's Climate Finance Integrity Programme Evaluation

Management Response

INTRODUCTION

The following document is Transparency International's (TI) management response to the final report from the commissioned evaluation conducted by Triple E on the BMU, BMZ and Norad-funded Climate Finance Integrity Programme.

The Transparency International Secretariat would like to thank the evaluators for their work, which included a large amount of background reading, two field visits and frequent communication with staff based in Berlin and in the project countries.

Transparency International Secretariat (TI-S) is gratified and encouraged by the findings of the independent evaluation of the Climate Finance Integrity Programme (CFIP). In particular, TI-S welcomes the general recognition of the need to address international climate finance integrity issues and that TI is in a unique position to play that role. TI-S also appreciates the confirmation of the usefulness and relevance of the Programme, considered as an appropriate and timely answer to serious potential corruption.

The evaluation provides useful feedback for the future design of multi-country evidence-based advocacy projects on climate finance and the recommendations offered are well aligned with some priorities of TI and its national chapters.

This management response addresses how TI is already following up and intends to do so as it strives to boost the impact of the work accomplished so far, and extend its reach within the movement. TI strongly appreciates the support provided by BMU, BMZ and Norad and welcomes a further discussion of the findings of the evaluation.

FEEDBACK ON RECOMMENDATIONS

The evaluator outlined 6 recommendations for the way forward: TI accepts and is already acting upon the first five. The sixth one, while potentially interesting, is something which requires further in-depth discussion to understand its feasibility and usefulness.

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

TI welcomes the recommendation to continue working on climate finance. In order to continue this critical work, TI has therefore decided to start two new projects in Asia and in Africa (involving a total of ten countries, including seven new countries). TI is also seeking additional funds to sustain the work in these regions and beyond with a focus on building on achievements and accelerated innovation and learning. Ultimately, the extent to which TI is able to continue work in this area will depend to a very large degree on its ability to attract donor support.

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

TI recognises the importance of having the different regions and countries in a leadership role regarding the Programme. As a result TI has decided to reorganise the central team working on climate finance to give more ownership and oversight to the regional departments and countries (effective as of January 2014). Interested chapters are also encouraged to design and implement their own projects, with TI-S being available to make sure a degree of coherence is kept and to support them.

3. Make a better distinction in the needs and approach between the different steps in the whole climate finance ‘donor till project’ cycle

TI takes note and agrees to explore different modalities to conduct the work around Forestry and REDD+. TI already worked on its theory of change to find a balance between action at the local level and advocacy at the global level. It also envisages developing some outreach at the regional level, when relevant.

4. More attention on TI’s core competences around anti-corruption: combine CFIP with the core financial and legislative knowledge that TI possesses

TI welcomes this recommendation and is committed to seek synergies between the different departments and programmes within TIS. For example, TI has decided to develop a new area of work around complaints mechanism, where TI (especially through its People Engagement Programme), has a lot of experience that could benefit the work on climate finance.

5. Improve the links with other NGOs and promote those

TI welcomes the recommendation to continue developing the links with other NGOs. In the second half of 2013, TI-S already made some move in this direction through the Climate Finance Integrity Talks, closely cooperating with a wide range of NGOs and involving other relevant actors. TI is also committed to work in coalitions and build the capacity of different stakeholders (and specifically environmental NGOs) for them to engage in good governance and actively participate in the fight against corruption. These collaborations will be further pursued in 2014.

6. Develop a ‘climate finance risk index’

TI takes note of the idea to develop such an index and has experience in developing and using such tools. The best-known TI Index is the Corruption Perceptions Index. All TI’s indices have a reputation for independence and methodological rigour and are respected by a wide range of stakeholders, including companies, governments and civil society. Although indices provide a simple visual representation of performance and are easily-understood, they can be a blunt instrument – they often work best when there is a programme of engagement in which the poorer performers are helped to improve and not simply named and shamed. Further the methodology must be rigorous, and transparent, with full publication of underlying methodology and data, so that those who are scored or rated in the index can understand the rationale for their position. Without such rigour, the results can be contentious and the index itself can become more of a discussion point than the performance of the companies or governments in the index. Where there are existing data sources to draw upon, developing such indexes can be relatively straight-forward. However, when this requires collecting complex primary data in multiple countries, this can be highly resource intensive. Not only does this mean a thorough cost-benefit analysis as to whether this is the most effective use of such resources, but it also raises questions about sustainability (ability to undertake the same index over multiple years) and, therefore, effectiveness. Therefore, while TI accepts that this is an interesting recommendation with a large degree of merit, undertaking such an index raises a number of challenges and questions, the answers to which we are unable to provide at present. Thus, further thought will be given to this recommendation, but TI is not currently able to commit to such an undertaking. This will be further discussed in 2014.

Yours sincerely,



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