

Climate Adaptation Finance Governance Standards

Dhaka 19 September 2017

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ADAPTIFY



WWW.ADAPTATIONWATCH.ORG

- **Adaptify (Netherlands)**
- Both ENDS (Netherlands)
- **Brown University's Climate and Development Lab (USA)**
- **Université Libre de Bruxelles, Centre d'Etudes du Développement durable (Belgium)**
- ENDA Tiers Monde (Senegal)
- Grupo de Financiamiento Climático para América Latina y el Caribe (Mexico)
- International Centre for Climate Change and Development (Bangladesh)
- Institute for Social and Environmental Transition (Nepal & USA)
- Nur University (Bolivia)
- Oxford Climate Policy (UK)
- Pan African Climate Justice Alliance (Kenya)
- Stockholm Environment Institute (Sweden)
- **Transparency International (Germany, Bangladesh, the Maldives)**
- University of Colorado-Boulder's Environmental Studies Program (USA)

Climate Finance

Where should it come from?

Polluter pays principle

Compensation for loss and
damage (not charity)

New, and additional to existing
overseas development
assistance

Climate Finance

How should it be accessed?

National systems to **directly access**, manage and be accountable for climate finance

Facilitation and project management function played by **multilateral, international, and bilateral entities not used** to access international public finance


Climate Finance

How it should be spent?

Strategically to leverage transformational changes in key sectors (health, water, energy, transport, agriculture)

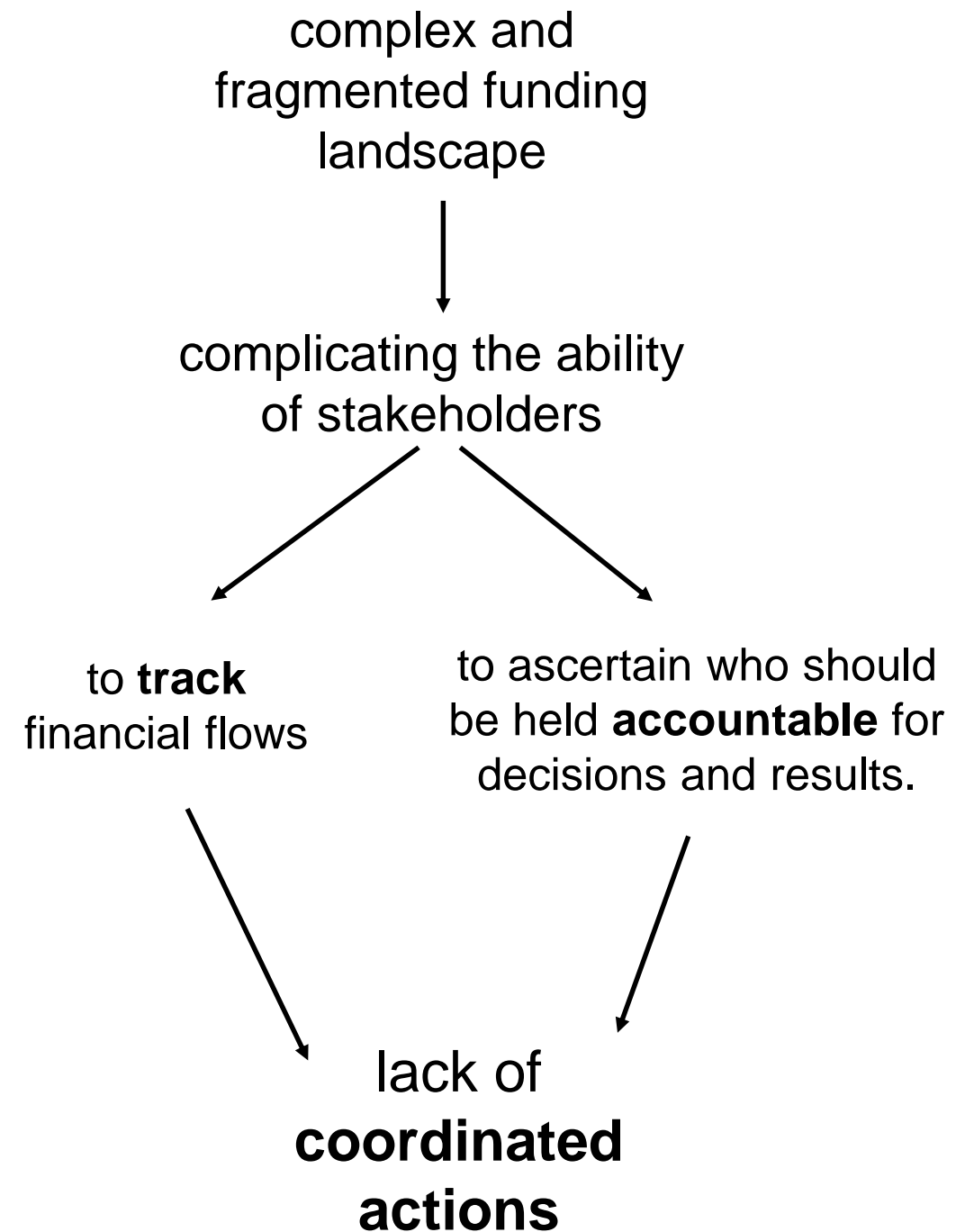
Blended with regular financial instruments: grants; equity; (concessional) loans; guarantees; credit lines; and performance based payments.

*public climate
finance should not
be provided as debt*



Climate Finance

The current problem



Climate Finance

The solution

Raise standards of governance

Standard

noun

1.a **level of quality** or attainment.

synonyms: quality, level, grade, caliber, merit, excellence

"the standard of her work"

2. an idea or thing used as a measure, norm, or model in comparative evaluations.

"the wages are low by today's standards"

There are many types of standards



Health & Safety



Food



Education



Products

Services



HOW STANDARDS PROLIFERATE:
(SEE: A/C CHARGERS, CHARACTER ENCODINGS, INSTANT MESSAGING, ETC)

SITUATION:
THERE ARE
14 COMPETING
STANDARDS.

14?! RIDICULOUS!
WE NEED TO DEVELOP
ONE UNIVERSAL STANDARD
THAT COVERS EVERYONE'S
USE CASES.



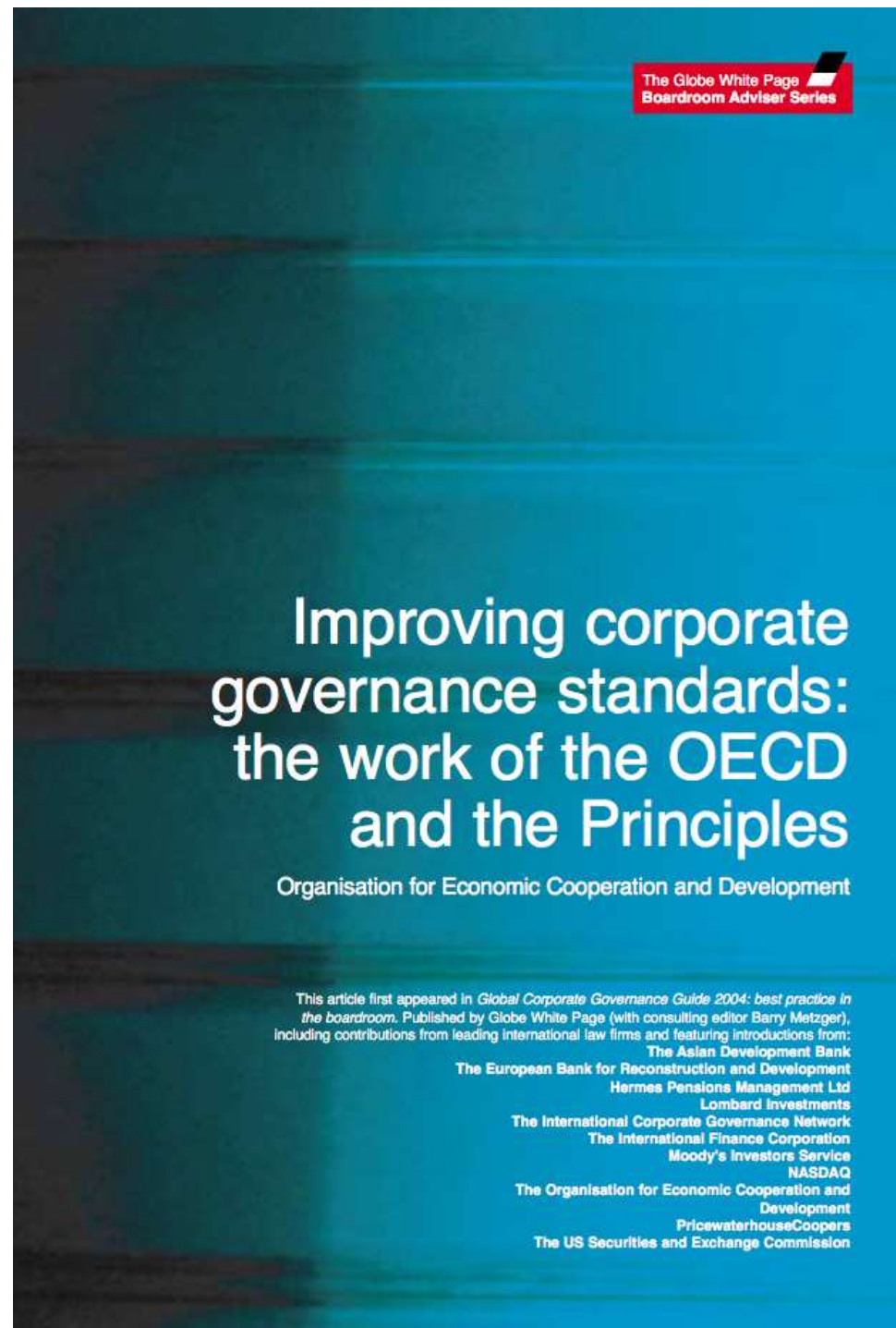
SOON:

SITUATION:
THERE ARE
15 COMPETING
STANDARDS.

There are also standards for **governance**

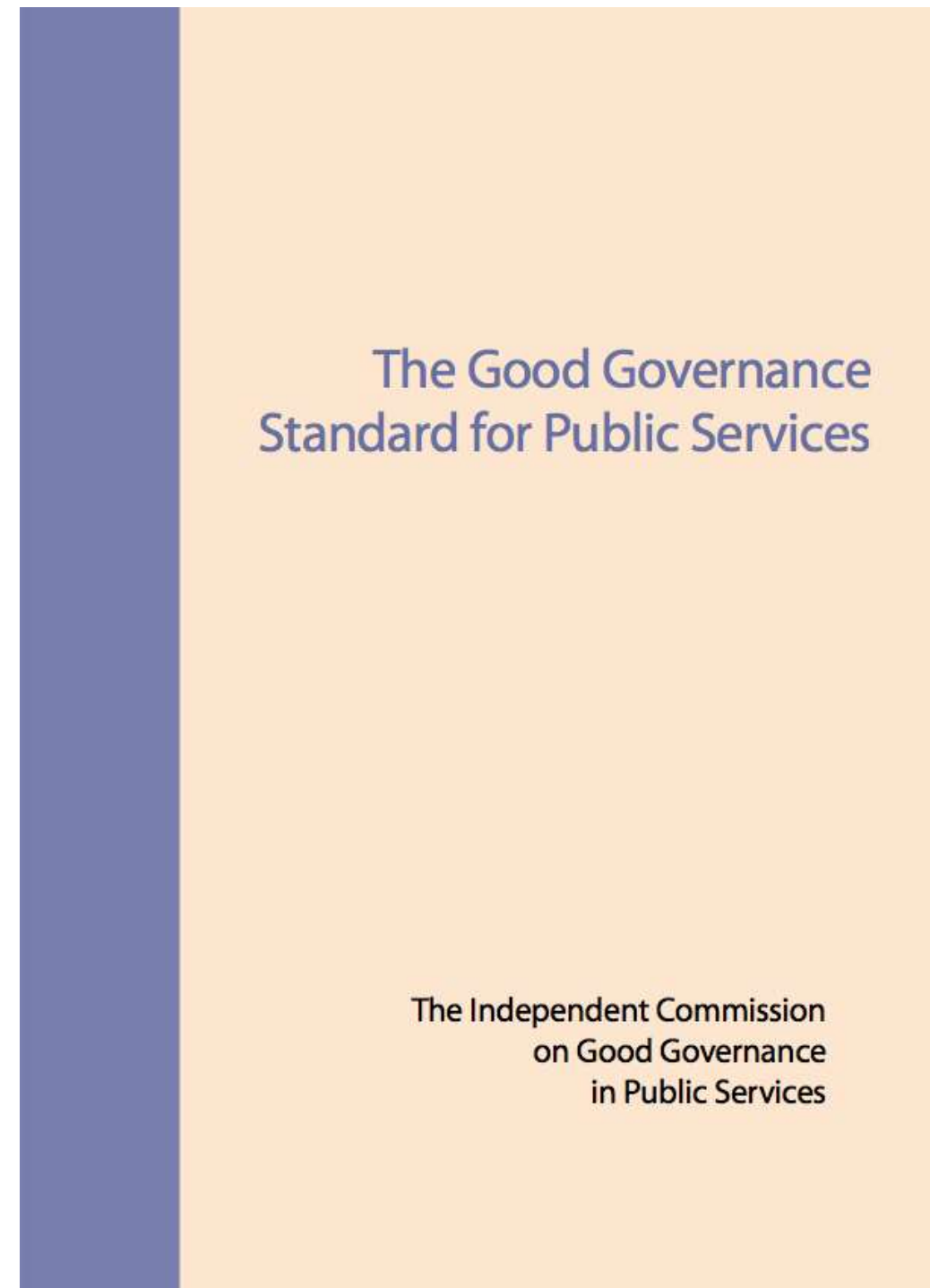
Examples of governance standards

Private sector governance standards



Organisation for Economic Cooperation & Development

Public sector governance standards



UK Commission on Good Governance in Public Services

**governance
standards**

+

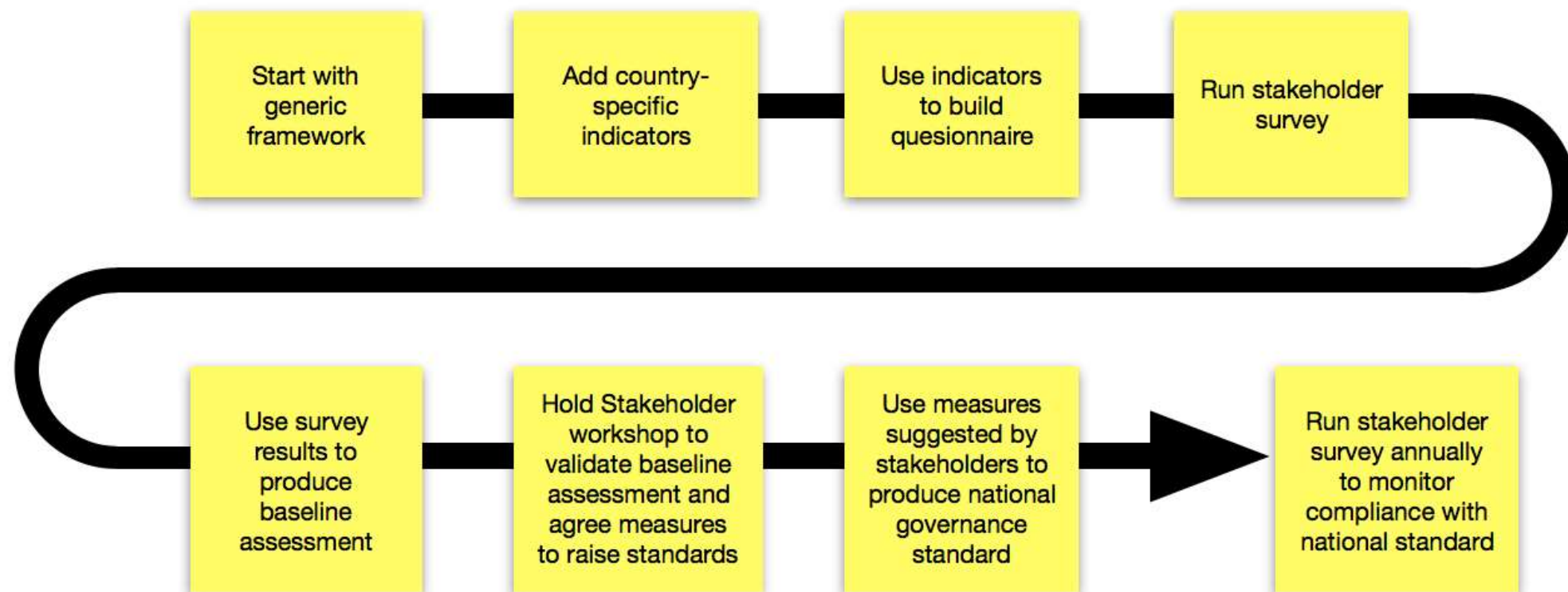
**climate
finance**

=

?

Climate Finance Governance Standards Methodology

Piloted in Maldives and Bangladesh during 2016-17



UNDP framework taken as starting point



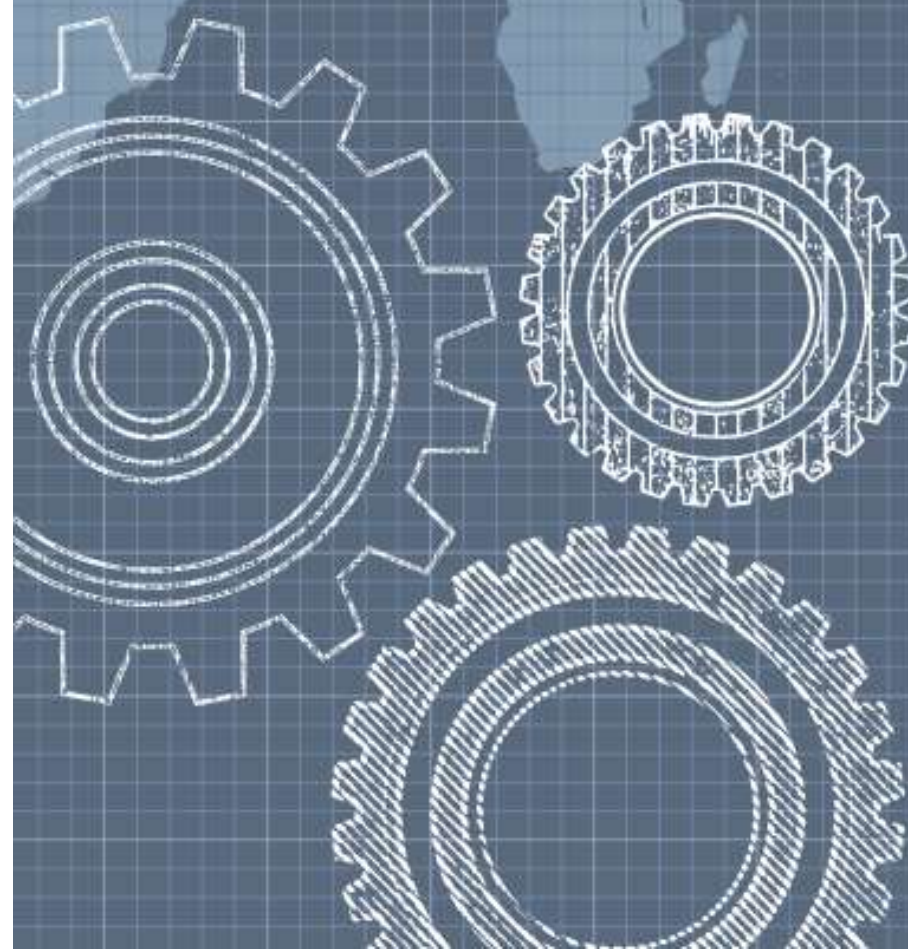
Components of Climate Finance (UNDP, 2012)

United Nations Development Programme

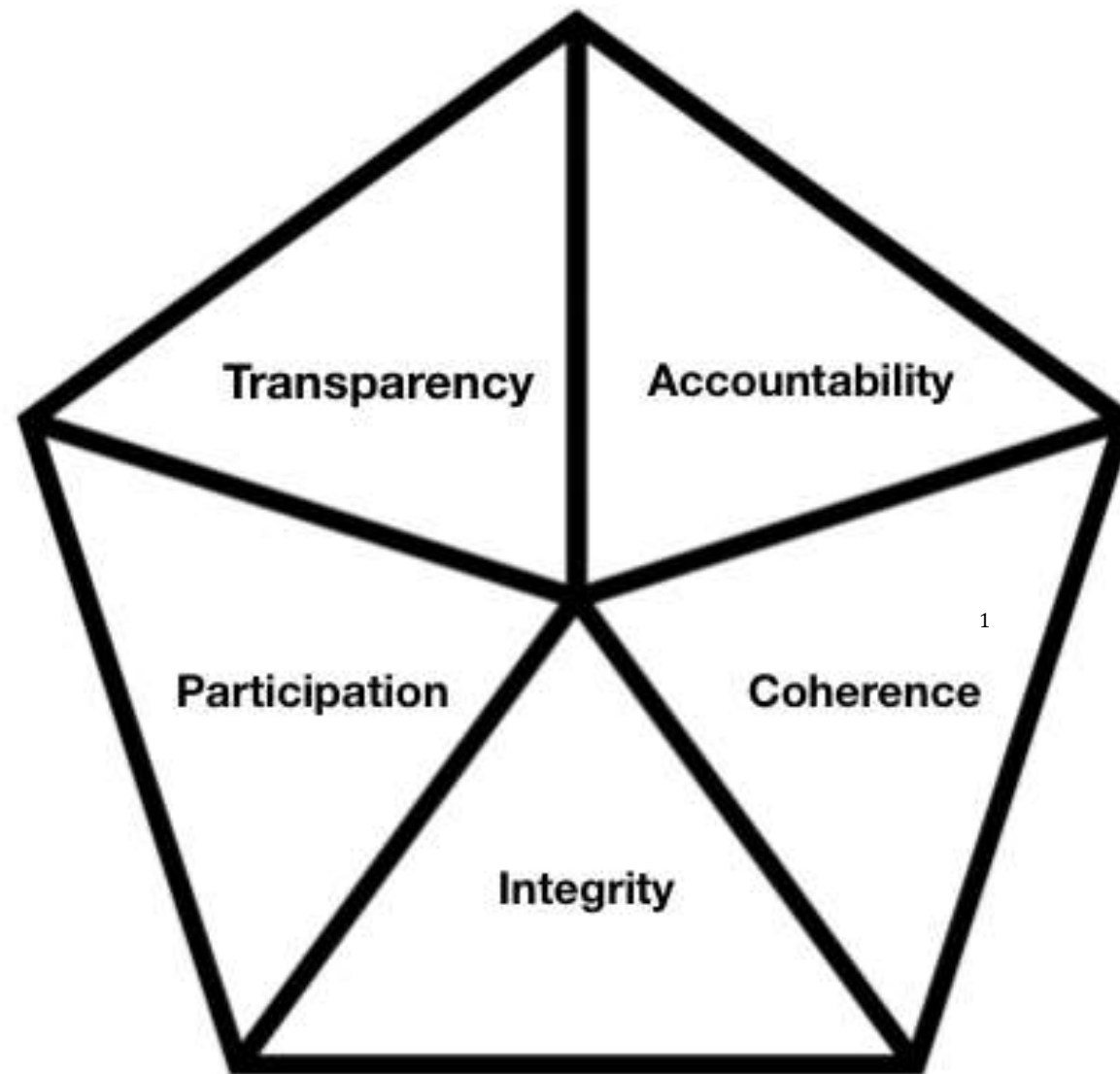


Readiness for Climate Finance

A framework for understanding what it means to be ready to use climate finance



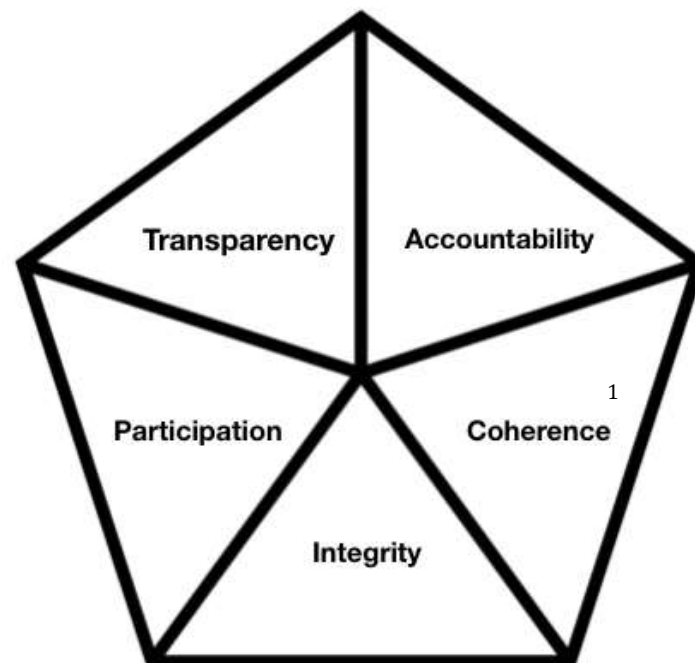
5 criteria selected from survey of literature on governance indicators



4 stakeholder groups identified

International Funding Agencies	Government
Business	NGOs

All elements combined into a single framework



Framework used to design stakeholder survey

Climate Finance Component	Governance Criteria	Stakeholders	Indicators	Survey Questions
PLANNING (ACCESSING / DELIVERING / MONITORING)	Transparency	International aid agencies	1	
		Public sector	2	
		Private sector	3	
		NGOs	4	
	Accountability	International aid agencies	5	
		Public sector	6	
		Private sector	7	
		NGOs	8	
	Participation	International aid agencies	9	
		Public sector	10	
		Private sector	11	
		NGOs	12	
	Coherence	International aid agencies	13	
		Public sector	14	
		Private sector	15	
		NGOs	16	
	Integrity	International aid agencies	17	
		Public sector	18	
		Private sector	19	
		NGOs	20	

Stakeholders

Key stakeholders selected from government, business, NGOs and international funding agencies

Interviews held *in person* as much as possible

Data *anonymised* using respondent ID numbers

Stakeholder Survey

QUESTIONS

RESPONSES

42

Climate Adaptation Finance Governance Standards - Transparency Maldives

Form description

Please provide the respondent ID number that was sent to you in order to fill out this form.

Short answer text

After section 1 Continue to next section

Section 2 of 24

About the Survey

This survey deals with the prioritization, access, delivery and monitoring of climate adaptation finance; and asks how each of these phases meet criteria of transparency, accountability, participation, integrity, and coherence with relevant policies and strategies.

Your answers will be used to produce a baseline assessment, which will clarify any areas in which improvements may be needed, and which will be the first step towards agreement on governance standards for climate adaptation finance.

Governance is determined by the interplay between key stakeholders, and with regard to the governance of climate adaptation finance four major stakeholder groups can be considered: i.e., International funders and agencies; the public sector; the private sector; and CSOs.

Question blocks

QUESTIONS

RESPONSES

42

1 Prioritisation

This phase of climate change adaptation finance is essentially a planning phase, where countries utilize scientific information to make decisions about which sorts of adaptation actions should be prioritized in their particular context. This involves assessing needs within the country, setting priorities to differentiate between needs, and identifying potential barriers to action.

1.1 Transparency

This question is on the extent to which various stakeholders are transparent in their prioritisation of climate adaptation finance. Examples of good transparency would be policies in place for public access to information; documents available online and/or in hard copies; briefings published regularly; briefings held for stakeholders; or information provided in annual reports.

Stakeholders are transparent regarding the ways in which they are prioritising climate adaptation finance. *

	Strongly Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Strongly Agree	Don't Know
International Aid Agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Government Agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Private Companies and Investors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CSOs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(Optional) Additional comments?

Short answer text

**Stakeholder
survey results
(scores and
comments)**



**National Baseline
Assessments**

Bangladesh

**Climate Adaptation Finance Governance
Baseline Assessment**

Maldives

**Climate Adaptation Finance Governance
Baseline Assessment**

National stakeholder workshops



**Baseline assessment
validated**

**Agreements made on
actions to raise
governance standards**

**Stakeholder
agreements**



**National Governance
Standards**

Bangladesh

Climate Adaptation Finance
Governance Standard

Maldives

Climate Adaptation Finance
Governance Standard

National Climate Finance Governance Standards

Selected examples

Maldives

Delivery of climate finance by donor agencies

Minimum governance standards for delivery of climate adaptation finance by donor agencies

- It must be ensured that project implementation entities conduct meaningful participation sessions in the form of stakeholder workshops, capacity building workshops and community meetings or surveys.
- An effective accountability mechanism tasked with addressing grievances must be established.
- The potential social impacts of projects must be scrutinized to predict the likely consequences they would have on local communities.
- It must be ensured that implementing entities conduct independent audit assessments and unbiased monitoring and evaluation reports for project activities according to a pre-planned schedule. These should then be published in an accessible manner.
- Progress reports should be compiled by project implementing entities and they must be published and disseminated in an easily accessible manner.

National Climate Finance Governance Standards

Selected examples

Bangladesh

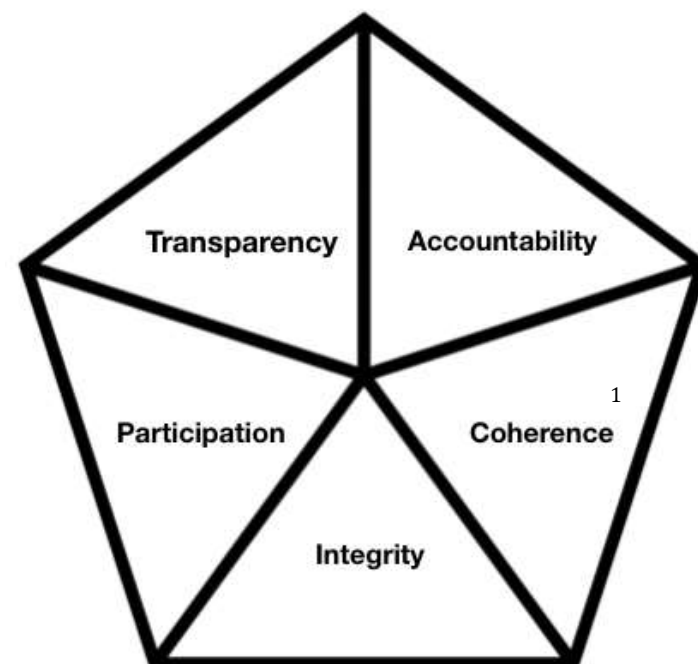
Monitoring of climate finance by the **public sector**

Minimum governance standards for monitoring of climate adaptation finance by the public sector

- All the climate adaptation projects should be overseen by an independent climate change governance related authority/platform.
- Public disclosure of all monitoring and evaluation and audit reports is required through user-friendly online portals or locally adapted communication tools.
- Use of social accountability tools by implementing stakeholders should be ensured. The targeted institutions should internalize this process.
- Public hearings should be ensured by all implementing entities so that community raise their voice on the quality of implementation of climate projects.
- Sharing of information about the project in an understandable way for the local community people.
- Capacity building of beneficiaries for citizens-led monitoring is required.

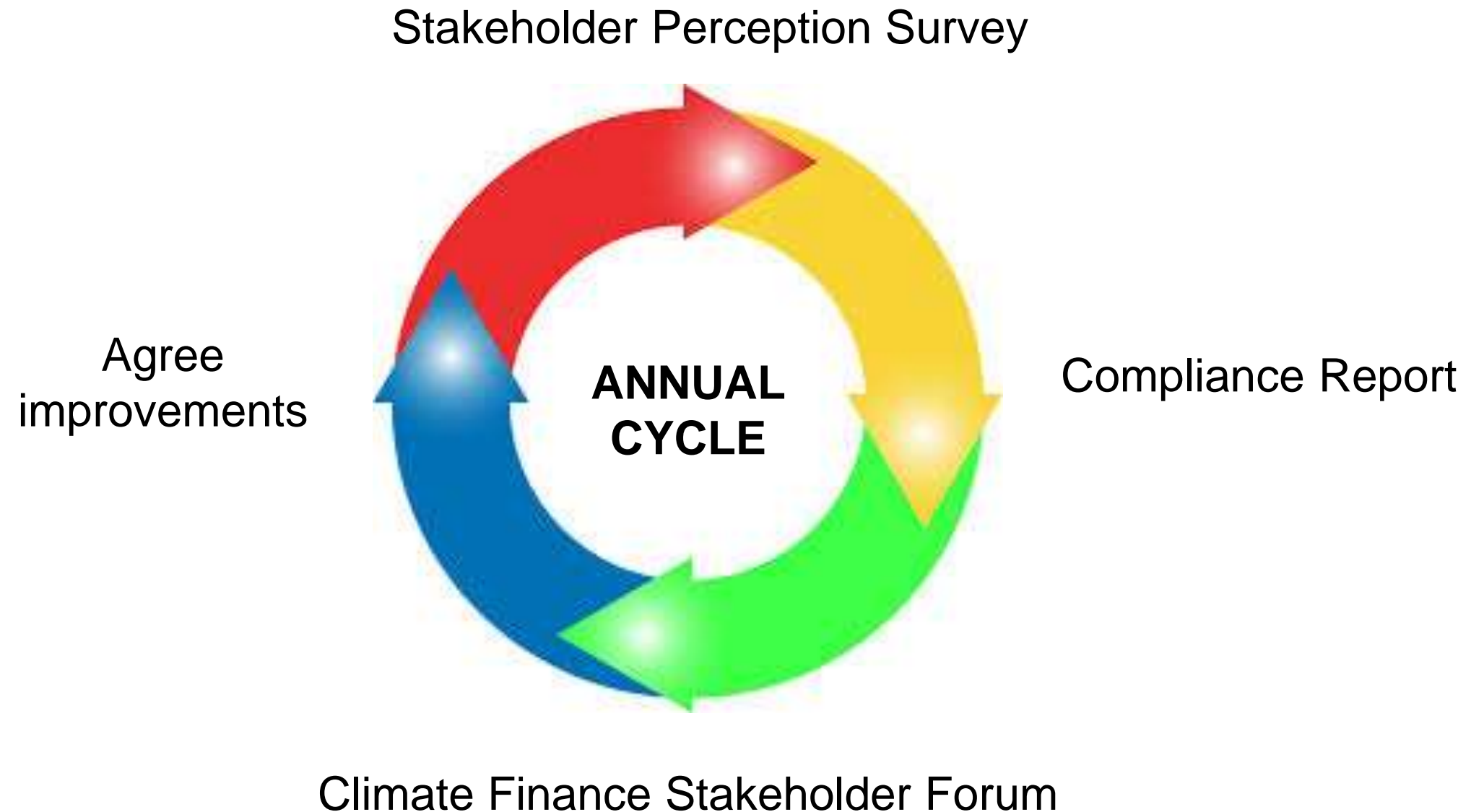
National Climate Finance Governance Standards

All elements of climate finance governance covered



National Climate Finance Governance Standards

COMPLIANCE



National Climate Finance Governance Standards

EXPECTED IMPACT

