



**PROTECTING CLIMATE FINANCE
AN ANTI-CORRUPTION ASSESSMENT OF
THE GLOBAL ENVIRONMENT FACILITY'S
LEAST DEVELOPED COUNTRIES FUND
& SPECIAL CLIMATE CHANGE FUND**

Transparency International is the global civil society organisation leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, we raise awareness of the damaging effects of corruption and work with partners in government, business and civil society to develop and implement effective measures to tackle it.

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PREFACE

In 2012, Transparency International and the Stockholm Environment Institute undertook a process to map out lines of accountability within the Global Environment Facility (GEF) as well as an assessment of the Least Developed Countries Fund (LDCF) and Special Climate Change Fund's (SCCF) performance against key criteria of transparency, accountability and integrity. This document contains a summary of the main findings and the key recommendations for reform.

EXECUTIVE SUMMARY

Protecting Climate Finance: An Anti-corruption Assessment of the Global Environment Facility's Least Developed Countries Fund and Special Climate Change Fund is the third in a series of reports by Transparency International aimed at analysing the policies and practices that seven multilateral climate funds or programmes have in place to prevent corruption and enable accountability. The purpose of this study was to contribute to the positive development and strengthening of the Funds to support effective achievement of their objectives.

Set up in 2001, the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) both fall under the Global Environment Facility (GEF), which was established under the UN Framework Convention on Climate Change (UNFCCC). Through these Funds, the GEF has a significant focus on strengthening developing countries' resilience to climate change, supporting a global portfolio of adaptation projects and programmes in more than 100 countries with total grant resources amounting to nearly \$1 billion.

Transparency International's assessment of the LDCF and SCCF reviewed both their governance arrangements and their transparency, accountability, and integrity policies and practices against a set of 12 indicators. The study involved preliminary desk research and subsequent interviews with the Fund Secretariat. Peer reviews were further engaged to validate or question the findings. As a result, Transparency International has identified both best practices and some areas where the Funds' policies could be strengthened.

Overall, the GEF aspires to and exhibits a number of best practices regarding **transparency**. It has policies concerning access to information, which include provisions governing applications for information as well as an appeals process should information not be made available. It could, however, improve its performance on transparency, in particular by ensuring that Fund information and reports are more consistently made available to the public. In addition, it should ensure that information regarding the anti-corruption rules and safeguards of downstream actors, such as implementing bodies, are disclosed and made easily accessible on its website. Further, the transparency of Council meetings could be bolstered by opening them to a larger number of observers.

In terms of **accountability** at the Fund level, clear and comprehensive processes defined by World Bank policies are in place to ensure the investigation and sanctioning of the Funds' Secretariat and Trustee. However, the Funds' executive-level accountability needs further rules and procedures regarding both the behaviour of Council members and the Council as a body. This means more sufficient assurances of investigative, review and sanctioning processes that are honest, independent and impartial. Sanctions for GEF Partner Agencies are also not sufficiently clear. Ongoing conversations about providing for discreditation procedures must be moved forward to address this gap.

Project-level accountability is delegated to GEF Partner Agencies who implement LDCF and SCCF projects. The effectiveness of this arrangement is important yet difficult to assess given the scant availability of information to clarify which anti-corruption terms, complaints mechanisms and whistleblower protections contractors or subcontractors should be bound by. Downstream accountability needs to be much better demonstrated in clear and consistent ways.

Fund policies regarding civil society **participation** – both as Observers at Council meetings and as consulted stakeholders at the project level – are advanced. The GEF itself has discussed and identified ways of further strengthening participation and consultation; these steps should be taken without delay to ensure continued meaningful engagement and better uptake of citizens' concerns.

In a progressive move, the GEF sets fiduciary standards that its Partner Agencies are expected to meet. These seek to ensure a comprehensive corruption-prevention approach. Requirements could, however, be broadened to the level of a GEF-wide zero-tolerance of corruption policy. This will be an important advance for setting accountability standards, defining values and creating a culture of zero-tolerance at all stages and levels of operation of GEF Funds.

The GEF has already made significant advances in terms of ensuring that the Funds operating under it are operating transparently and with accountability and integrity. Transparency International welcomes and supports these ongoing efforts to strengthen and evolve a clear, comprehensive and consistent set of policies to demonstrate the GEF's overall global accountability.

INTRODUCTION

Climate change is arguably our greatest ever challenge. Addressing it effectively will test the boundaries of multilateral cooperation, requiring transformational shifts in our political and financial economies and a refashioning of lifestyle, infrastructure and technology on a global scale.

The response to climate change has ushered in a new era in international financing as a response to the growing recognition of countries' differing historic responsibilities for global warming. In 2009, industrialised nations pledged to support developing countries in their efforts to scale up climate change adaptation, forest conservation and clean energy technology development. Donor governments claim to have provided more than US\$30 billion in climate finance between 2010 and 2012.¹ The 2009 commitment was to increase that annual cash transfer to US\$100 billion by 2020.²

Recent years have seen a burgeoning of new bodies tasked with channelling, allocating and spending climate finance. At the global level, it is broadly anticipated that the Green Climate Fund, which has emerged as a potential new source of public and private finance through the UN Framework Convention on Climate Change (UNFCCC) processes, may become the major conduit for climate funds. Until this time, the finance architecture remains comprised of a patchwork of multilateral funds, all of which operate according to their own rules and procedures.

In 2011, Transparency International's *Global Corruption Report on Climate Change* highlighted the risks implicit in a funding landscape characterised by complexity and fragmentation.³ When responsibility for effective spending is shared amongst a multitude of actors and sites, holding decision-makers accountable becomes cumbersome. Initial investigations into the governance of climate funding bodies further pointed to instances of inadequate transparency and lacking or compromised independent oversight across important decision-making processes.

Meanwhile, corruption risks remain prevalent in many of the countries and sectors where climate money is most needed. It is too early in the history of climate finance for many corruption cases to have come to light, but it is not too early for precautionary action. Unless reforms are made to the current climate regime, fair and effective spending will be undercut by corruption in the form of policy capture or undue influence, creative accounting or reporting, and the mismanagement, embezzlement or misappropriation of public resources. Amid global financial crises and ever growing constraints on the public purse, these are situations that the world simply cannot afford.

The good news is that positive change is still possible. The current funding constellation may be complex, but it does provide us with a laboratory of differing approaches to the task of climate adaptation and mitigation. The challenge now is to examine these approaches to ascertain what has worked well, what has not, and why. Maximising the effectiveness of future climate investment will require that the various anti-corruption strengths and weaknesses inherent in these arrangements inform the funding arrangements of the future.

It is in this context that Transparency International, in collaboration with expert researchers⁴, embarked upon a governance and anti-corruption assessment project of key multilateral climate funds.⁵ Funds assessed include: the Adaptation Fund, the two Climate Investment Fund Trust Funds, the Least Developed Countries Fund, the Special Climate Change Fund, the Forest Carbon Partnership Facility, and the UN Programme on Reducing Emissions from Deforestation and Forest Degradation (UN-REDD) Programme. In parallel, Transparency International conducted national climate finance mapping and governance assessments in six countries: Bangladesh, Dominican Republic, Kenya, Maldives, Mexico and Peru.

At the global level, Transparency International assessed the multilateral funds' preventative policies regarding how well transparency, accountability and integrity were demonstrated and required. This was

further supplemented with an accountability analysis that reviewed Fund policies to deal with corruption by different actor bodies (for example, a Board or a Secretariat) and individuals (for example, Board Members and Secretariat staff). For both studies, the lines of accountability between actors were examined as part of a broader accountability mapping.

Accountability here is understood as “the concept that individuals, agencies and organisations (public, private and civil society) are held responsible for executing their powers properly”. An accountability framework comprises policies that dictate how people should and should not behave as well as structures and systems to monitor compliance and detect and sanction wrongdoing. As such, accountability arrangements act as both a deterrent to corruption and a safety net to catch and address it if and when it occurs – only, however, if these arrangements are strong and clearly understood and enforced by staff, contractors, consultants and beneficiaries. This is where transparency and accountability intersect and mutually reinforce one another – one is insufficient without the other. These assessments seek to understand the nature, scope and strength of climate funds’ accountability frameworks, and how transparent, practicable and effective those frameworks are to the people they involve.

Strengthening accountability and minimising risks of corruption are important foundations and catalysts for achieving climate finance’s intended transformational impacts – to transition to climate capable of growth and sustainable development – with the required level of velocity. The findings of Transparency International’s global and national studies are intended to improve knowledge of climate finance accountability and corruption risk mitigation strategies amongst key stakeholders – including civil society organisations and public and private sector actors – to develop their capacity to contribute to the development, implementation and oversight of climate policy and projects. The assessment results will be monitored over time to track changes. Periodic reports on such developments will incentivise efforts for reforms, and they will feed into discussions on the design of new national and global bodies such as the Green Climate Fund.

This report presents the main findings of Transparency International’s assessment of the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF). Established in 2001, these funds are dedicated to building resilience in some of the world’s most vulnerable countries. As of September 2013, the Council has approved US\$986.7 million for 253 climate resilience projects through a range of agricultural, food/water security, coastal zone reinforcement and flood prevention activities.

This report is divided into two parts: an accountability mapping and an anti-corruption assessment. The mapping attempts to gain clarity over the LDCF and SCCFs’ accountability frameworks, which includes their key decision-making bodies and individuals, who is accountable to whom, and according to what rules or standards. This mapping establishes a blueprint from which to conduct a more in-depth assessment of the Funds’ ability to resist corruption within their ranks. The anti-corruption assessment reviews and scores both preventive and remedial approaches to corruption within the Funds through an analysis of the ambition, scope and strength of their relevant policies and procedures. The mapping and assessment methodology involved desk research and interviews with the engagement of the Funds, peers and research consultants. The research approach is detailed in Annex 1 of this report.

The intent of this study is to examine the governance policies, procedures and practices of climate funds. Examining only those policies, however, will not necessarily provide a full, worthy assessment of the overall transparency, accountability and integrity frameworks in which these funds operate. In many cases, this would involve additional research into non-executive actors “within” the funds’ delegated accountability functions, including actors at the country level. While this study does attempt to map the roles of these actors in relation to the funds and highlights where informational gaps exist, it does not assess these actors in terms of the effectiveness of their policies. Further study into the implementation of projects in-country would be required to comment extensively on the funds’ broader operations. This is beyond the scope of the current research.

METHODOLOGY

The methodology used followed a two-part process, producing both an **accountability map** and an **anti-corruption assessment**.

The **accountability map** sets out the different actors and bodies operating within the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) and their lines of accountability to one another. It also pinpoints policies that seek to ensure the integrity of Fund staff – **rules or standards** which govern unethical, corrupt or fraudulent behaviour – as well as the mechanisms in place to detect and act upon corruption in the Funds' operations.

The **anti-corruption assessment** takes this first step further and probes the scope, level of ambition and likely effectiveness of these rules, standards and processes.

The analysis aims first and foremost to provide a qualitative assessment. It analyses the Funds' policies and practices against 12 anti-corruption indicators that represent principles and practices in the areas of transparency, accountability and integrity.⁶ This qualitative assessment is conducted through defined scoring and guiding questions. It is also presented in the form of a five-colour coding system running from weak (red) to strong (green). More detail on the indicators and individual scoring and guiding questions can be found in Annex 2.

Assessment Indicators

TRANSPARENCY
Indicator (1) : Policy Level Transparency Are there policy provisions in place for public access to information regarding the Fund's administration and operations including activities, outputs and decisions?
Indicator (2): Practice Level Transparency In practice, can members of the public obtain relevant and timely information on the Fund's policies, procedures, activities, outputs and decisions throughout the project cycle?
ACCOUNTABILITY
Indicator (1): Financial Reporting and Audits Does the Fund have effective financial reporting guidelines in place? Are the activities of the relevant organisational decision-making body subject to audits?
Indicator (2): Accountability (Answerability) Mechanisms Are the Fund's decisions governed by clear and effective accountability mechanisms?
Indicator (3): Whistleblower Protection Throughout the Fund's project cycle, are there provisions for effective, independent and enforceable whistleblower protection for any Fund-related executive members, employees, contractors, subcontractors and consultants who would expose any wrongdoing in any Fund-related action?

<p>Indicator (4): Complaints and Investigation Mechanisms Are there independent and effective mechanisms in place to register and investigate complaints about corruption or fraud?</p>
<p>Indicator (5): Sanctions Are there effective policies and procedures in place to penalise corruption and fraud?</p>
<p>Indicator (6): Civil Society Consultation Is the Fund required to consult with civil society throughout the project cycle?</p>
<p>Indicator (7): Observer Participation Do independent civil society actors participate meaningfully in the proceedings of the Fund?</p>
<p>INTEGRITY</p>
<p>Indicator (1): Anti-Corruption Rules Are appointed members and technical staff subject to effective conflict of interest policies and codes of conduct warding against corrupt or fraudulent behaviour?</p>
<p>Indicator (2): Integrity Screenings Are appointed members and technical staff subject to integrity screenings or background checks prior to employment?</p>
<p>Indicator (3): Integrity Training Are appointed members and technical staff trained on issues of integrity?</p>

This research was informed primarily by publicly available material on the Global Environment Facility’s (GEF) website, and, to some extent, the websites of the UNFCCC and GEF Partner Agencies. This was complemented by follow-up interviews with the GEF Secretariat and inputs received through a peer review process. As a quality control measure, Transparency International then reviewed all content for accuracy and credibility. Input from the Funds was validated, and corrections were made as necessary and appropriate. Taking this information on board, the performance ratings were reassessed and finalised prior to final publication.

More detail on the methodology can be found in Transparency International’s *Global Climate Finance Governance Risk Assessment Toolkit*.⁷

KEY FINDINGS AND RECOMMENDATIONS

Transparency International’s two-part mapping and assessment of the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund’s (SCCF) anti-corruption accountability framework reveals a number of both strengths and challenges for short- and long-term considerations by the Funds and others. In this section, the key finding and recommendations of both the mapping and assessment are presented. A more detailed analysis can be found in the ensuing full report.

The table below summarises the LDCF and SCCF’s anti-corruption safeguards ratings in the areas of transparency, accountability and integrity. As the policies and practices of both Funds are closely aligned if not identical, they both performed identically on all indicators. Their score ranged between **red/weak** (indicating lacking policies and insufficient practices), **orange/average** (demonstrating that policies and practices exist but improvements are needed), and **green/strong** (signalling Fund-wide and sufficient implementation of adequate policies and practices). Gradations in-between indicate that certain indicators fall between categories – with dark orange representing below average and yellow representing above average.

Overall, the Funds performed best in their policies and practices for transparency. However, gaps remain in terms of the demonstration of strong accountability and integrity policies and practices at the Fund level. As an international mechanism entrusted with public money, the Funds will need to take on a Fund-wide zero-tolerance of corruption policy and to improve access to information on key accountability assurances to safeguard people and money from corruption throughout project cycles.

Summary of Funds’ Assessment Performance

TRANSPARENCY	PERFORMANCE
Indicator (1) : Policy Level Transparency Are there policy provisions in place for public access to information regarding the Fund’s administration and operations including activities, outputs and decisions?	ABOVE AVERAGE
Indicator (2): Practice Level Transparency In practice, can members of the public obtain relevant and timely information on the Fund’s policies, procedures, activities, outputs and decisions throughout the project cycle?	ABOVE AVERAGE
ACCOUNTABILITY	PERFORMANCE
Indicator (1): Financial Reporting and Audits Does the Fund have effective financial reporting guidelines in place? Are the activities of the relevant organisational decision-making body subject to audits?	ABOVE AVERAGE

<p>Indicator (2): Accountability (Answerability) Mechanisms Are the Fund's decisions governed by clear and effective accountability mechanisms?</p>	BELOW AVERAGE
<p>Indicator (3): Whistleblower Protection Throughout the Fund's project cycle, are there provisions for effective, independent and enforceable whistleblower protection for any Fund-related executive members, employees, contractors, subcontractors and consultants who would expose any wrongdoing in any Fund-related action?</p>	AVERAGE
<p>Indicator (4): Complaints and Investigation Mechanisms Are there independent and effective mechanisms in place to register and investigate complaints about corruption or fraud?</p>	AVERAGE
<p>Indicator (5): Sanctions Are there effective policies and procedures in place to penalise corruption and fraud?</p>	AVERAGE
<p>Indicator (6): Civil Society Consultation Is the Fund required to consult with civil society throughout the project cycle?</p>	ABOVE AVERAGE
<p>Indicator (7): Observer Participation Do independent civil society actors participate meaningfully in the proceedings of the Fund?</p>	STRONG
INTEGRITY	PERFORMANCE
<p>Indicator (1): Anti-Corruption Rules Are appointed members and technical staff subject to effective conflict of interest policies and codes of conduct warding against corrupt or fraudulent behaviour?</p>	AVERAGE
<p>Indicator (2): Integrity Screenings Are appointed members and technical staff subject to integrity screenings or background checks prior to employment?</p>	AVERAGE
<p>Indicator (3): Integrity Training Are appointed members and technical staff trained on issues of integrity?</p>	AVERAGE

KEY FINDINGS

The following section provides justification for the scores awarded to the LDCF and SCCF for the Funds' transparency, accountability and integrity provisions.

Note: Reference is made in this section to a number of Fund bodies. Please consult pages 25-39 for a description of their roles and responsibilities.

Transparency

Transparent Reporting

The Global Environment Facility (GEF) makes some, though not all, of its reports available online.

Information on projects and programmes, including related financial information, is available through the GEF data mapping portal. Various reports and documents relating to Council decisions can also be found on the GEF's website. However, some reports are not readily found. For example, the *Project Implementation Reports* submitted by GEF Partner Agencies are not available in full nor are evaluations carried out at the project level easily accessible. Financial data is reported in cumulative totals by GEF Partner Agencies rather than on a project by project basis, which also makes it difficult to make detailed project evaluations.

Executive Decision-Making Transparency

The Funds' Council meetings are generally open, although some room for improvement remains.

Council meetings are open to the participation of Observers and clear instructions are available setting out how an Observer can physically participate at a meeting. Executive sessions can, however, be closed.

Information Requests and Appeals

The GEF has a procedure in place which can be used by stakeholders to request information that is not disclosed. It also provides for an appeals mechanism.

This procedure promotes greater accountability by enabling stakeholders to gain access to unreleased information or documentation. The procedure displays one weakness, however, in that timelines within which requests should be responded to are not set out.

Access to information policies of GEF Partner Agencies are not readily available at the Fund level.

The GEF relies on the policies of its Partner Agencies, including those on access to information. Failing to make these policies easy to access through the Fund website acts as a barrier to accountability for people seeking information on Fund projects.

Anti-Corruption Rules – Disclosure

Information regarding the anti-corruption rules and safeguards of GEF Partner Agencies, Executing Entities and Operational Focal Points was not disclosed at the Fund level.

Critical for holding these actors to account, this information needs to be easily accessible at the Fund level or through the Fund website. Currently, such information is not readily available.

In order to be accredited, GEF Partner Agencies must demonstrate that they have anti-corruption rules and safeguards in place, including financial reporting and procurement rules, complaints mechanisms, and whistleblower protection. However, there is no information available in terms of the nature or scope of these rules and safeguards at the Fund level. Given the fundamental purpose of these rules to ensure integrity and accountability in the greater public interest, the availability of this information should be ensured.

Operational Focal Points do not go through an accreditation process but are appointed at the national level. Given the degree of influence that they exercise, it is significant that there is little public information on the accountability rules applicable to them other than the applicability of the GEF's Public Involvement Policy.

The anti-corruption rules and requirements of Executing Entities and further subcontractors are not disclosed at the Fund level. This information is essential to ensure both downstream and upstream accountability for the prevention and deterrence of corruption and fraud.

This information along with contractual terms of any entity or subcontractor – stipulating anti-corruption and accountability requirements and determining remedial measures and sanctions for corrupt or fraudulent conduct – should be transparent and easily accessible at the Fund level.

Accountability and Integrity

Lines of Accountability

Accountability in terms of institutional relationships between Fund bodies is identifiable in most cases. The only anomaly is the Council, which requires further clarification.

Accountability relationships are clear as pertaining to the GEF Secretariat, Trustee, Fund panels, GEF Partner Agencies and other Executing Entities. The accountability of the GEF Council is less clear. As an entity, the Council is fully accountable to the UNFCCC Conference of Parties. The terms of that accountability, however, refer largely to the functions of the Council itself and its requirement to report to the UNFCCC. The policies of both entities appear to be silent on accountability rules and processes relating to corruption. It is, therefore, unclear what the accountability of the Council itself would be for practicing, condoning, supporting or otherwise failing to address corrupt behaviour within the Funds.

The lines of individual accountability of World Bank employees engaged with the Fund are clear as are those of its Secretariat staff, experts serving on the Accreditation Panel and Fund Observers. Accountability relationships of Council Members, Operational Focal Points, GEF Partner Agency and Executing Entity employees, and locally consulted stakeholders need greater clarification.

The GEF has made serious efforts to develop a governance structure that is defined by a clear system of accountability, yet it still lacks a code of conduct for Council Members themselves. Fund-level policies and documentation are silent on accountability of Council Members for conflicts of interest or for engaging in corrupt, fraudulent or unethical behaviour.

The same applies for Operational Focal Points, who should be accountable to their governments. However, no information is provided at the Fund level that identifies to whom they are accountable nationally and by what rules.

Accountability for individual employees of actors – such as the Secretariat, the Trustee and some GEF Partner Agencies – seems to be well-organised and clear. Secretariat and Trustee staff are subject to World Bank rules, and employees of GEF Partner Agencies and Executing Entities should be accountable internally within their organisations. The rules and scope of that accountability, however, is not made available at the Fund level.

The rules relating to the accountability of LDCF and SCCF Observers are extensively set out within the GEF-NGO Network.

Anti-Corruption Rules – Substance

A Fund-wide zero-tolerance of corruption policy is missing.

Currently, no zero-tolerance for corruption policy is in place for either Fund. There is also no such policy specifically for the Council, that is, that it should refrain from condoning, supporting or otherwise failing to address corrupt behaviour within the Funds. This stark absence is worrisome given its importance for setting accountability standards, defining values and creating a culture of zero-corruption tolerance within all stages and levels of the Funds.

Codes of conduct setting out ethical and anti-corruption rules and standards that govern Fund actors' behaviour in relation to the Fund are only in place for Observers.

The GEF sets out a code of conduct for Observers specifically relating to their interaction with the Funds. GEF Partner Agencies are further required to have codes of conduct in place as part of their accreditation process. While the Secretariat and Trustee fall under World Bank jurisdiction, there are no codes applicable to them specifically relating to their role with the Funds. The Council is not subject to any code of conduct relating to the exercise of their functions within the Funds.

Observer integrity is demonstrable. Principles and guidance regarding their ethical and non-corrupt behaviour are in place.

The integrity of civil society and other non-governmental actors is provided for insofar as they participate in the GEF through the GEF-NGO Network. These provisions are strong and should be shared widely.

The effectiveness of anti-corruption rules and safeguards is not monitored and has not yet been evaluated by the GEF.

No documentation could be found which indicated that the Funds' anti-corruption performance is being monitored or has been evaluated at any level. Regarding GEF Partner Agencies, no reporting requirements or actual reports exist which demonstrate anti-corruption performance in relation to the Funds. Such evaluations should be a part of a Partner Agency's accreditation review. Monitoring should be a regular action, which would rely on and require Partner Agencies to report on their performance throughout the project cycle. Demonstrating effectiveness will lend much greater legitimacy and credibility to good governance requirements.

Appeals

Procedures to appeal decisions of the GEF Chief Executive Officer, the Council and Operational Focal Points are absent in current Fund policy.

A formal procedure which establishes a clear channel for accountability would empower complainants to file an appeal. The GEF Chief Executive Officer plays a significant role in the initial review of projects and can approve or reject medium-sized projects outright. Although this must be explained to the party making the submission, there is no further appeals mechanism in place. The same is true of Council decisions on full-sized projects. Regarding Operational Focal Points, procedures may exist at the country level to allow appeals, but this information is not available or easily accessible through the Fund. If the Conflict Resolution Commissioner plays a role here, this should be clarified.

Investigations

There is no established Council accountability process by which the Conference of Parties can hold the Council accountable should the Council fail to address or condone corruption within the Funds.

There is no concrete process by which the Council would be held accountable, specifically in cases where corruption or fraud would undermine any objective or activity of the Funds and where the Council would do nothing to address it. The Conference of Parties lacks an independent body to provide oversight or investigatory functions with respect to the Council. Establishing an impartial process to hold the Council to account would significantly strengthen the legitimacy and credibility of the Funds' overall global accountability.

The World Bank's investigatory and sanctioning processes that govern both the Secretariat and the Trustee are clear and comprehensive. This is a best practice which should be promoted.

The investigatory function of the World Bank involves an established independent body as well as procedures where sanctions are clear and enforceable. These best practices should be promoted for other institutions and actors involved in the Funds' operations. The World Bank should consider ways to enable enhanced information sharing and technical advisory services to do so.

The GEF Conflict Resolution Commissioner has a role in receiving complaints but has no investigatory function. Instead, GEF Partner Agencies are responsible for [investigating – internally or externally – the misuse of funds](#) in projects and programmes under their control. There is room for greater clarity on this interaction.

GEF fiduciary standards outline best practices which GEF Partner Agencies should have in place relating to these functions. However, further explanation is needed in terms of how the Conflict Resolution Commissioner interacts with these mechanisms and follows up on the investigation and resolution of complaints that are referred to Partner Agencies.

[Whistleblower Protection](#)

While GEF fiduciary standards call for appropriate [whistleblower protection throughout project and programme implementation](#), too little information is available at the Fund level to satisfy this assurance. This needs to be addressed with urgency.

As part of their accreditation, GEF Partner Agencies are to explain how they **manage** such protection. However, beyond this, it was not evident what real protection is afforded to whistleblowers throughout Fund operations – particularly downstream at the project level, where corruption is more likely to happen.

[Complaints Mechanisms](#)

The GEF has designated a role for its [Conflict Resolution Commissioner](#) to take in and handle complaints. The procedure set out to govern the handling of complaints could, however, be further strengthened.

While submitting a complaint is straightforward, the procedure is silent on certain critical aspects, such as further information regarding anonymity, confidentiality, content and evidence, types and time period of responses, effective remedies or sanctions, whistleblower protection, and rules on abuse of the mechanism. Further, very little information is available on the number or type of complaints received or on resolution of complaints. Relevant complaints mechanisms of Partner Agencies may include this information, but they are not under any requirement to share results through the Funds' websites. With all of this considered, the absence of information makes it difficult to assess the effectiveness of the GEF complaints mechanism.

Although the GEF has a Conflict Resolution Commissioner, this role does not extend to complaints regarding the Council. Furthermore, GEF policy does not designate any [alternative complaints mechanism at the executive level](#) of the Facility.

Although the GEF Conflict Resolution Commissioner holds a number of responsibilities, she or he does not have a mandate to handle complaints concerning corruption or fraud against a Council Member. Ideally, an independent mechanism should be established to receive and address complaints regarding Council Members. Availing such a mechanism would strengthen the credibility and legitimacy of the Council by providing a way by which corrupt or unethical behaviour of Council Members could be reported and addressed.

To make its [complaints mechanisms for anti-corruption accessible and effective at the project level](#), the GEF needs to provide necessary information for victims and witnesses before they make a complaint.

GEF policy requires that its Partner Agencies have mechanisms for registering and investigating complaints regarding corruption or fraud. The details of these “complaints mechanisms” are, however, not yet published on the GEF’s website. The same is true of national level actors such as Operational Focal Points. This is critical in order to ensure victims and witnesses of corruption are not dissuaded from raising concerns. At minimum, a summary of the policies and procedures regarding complaints and investigations by Partner Agencies and other national level actors should be available in an easy-to-access and understandable format.

Sanctions

Should there be an investigation procedure introduced for Council Members who are accused of engaging in improper conduct, there are not yet any sanctions in place to which they would be subjected should the accusation be borne out.

In the absence of a Fund procedure which could, for example, result in the removal of a Council Member from their position, the only sanctions that they would be subject to are those imposed by their own governments. This weakness should be addressed in order to deter wrongdoing as well as to ensure that any Council Member found to have acted improperly no longer has a voice in decisions.

While sanctions are envisaged to disaccredit or terminate the Funds’ agreements with GEF Partner Agencies, policies and procedures that would bring these sanctions into play are not yet in place.

Currently, the only sanction envisaged in the case of a GEF Partner Agency misusing funding is the withholding of future payments. Although consideration has been given to possible other sanctions, such as the suspension of projects and the cancellation of accreditation, a decision has not yet been taken to put these sanctions into place.

While most GEF Partner Agencies have clear and comprehensive sanctioning procedures in place, the Fund itself has not demonstrated how and to what extent sanctions are required, applied and enforced by its accredited actors.

Accreditation criteria do not specifically require that GEF Partner Agencies demonstrate what sanctions they apply in connection with their self-investigatory functions. Because this information is not disclosed at the Fund level, it is difficult to assess which remedial measures are in place across actors at project and programme implementation level or how comprehensive they are.

Sanctions for Observers are comprehensively dealt with within the GEF setup.

The GEF has made significant advances in terms of the rules it has in place that govern the behaviour of its Observers, such as setting out sanctions which can be imposed if any organisation or individual violates the GEF-NGO Network Code of Conduct, which includes warnings, disciplinary actions and termination. This is a best practice which should be shared more broadly.

Civil Society Participation

Opportunities for Observers to participate both in Council meetings and at the country level could be improved further.

Provisions are made for five members of civil society to sit in on Council meetings and for five more in an overflow room. Although the rules try to provide for fairness in the selection of which civil society representatives fill these seats, they nevertheless place some obstacles in the way of interested organisations not selected from engaging as Observers with the Funds. Those who are selected can make interventions but are unable to contribute further to decision-making. At the national level, the GEF Public Involvement Policy places the onus to ensure participation on local level actors including the government, GEF Partner Agencies and Executing Agencies. This is not further overseen, however, and

standards therefore vary according to the country context.

GEF policy envisages that opportunities should be made for [stakeholders to be consulted](#) throughout the project cycle, although in practice the strength of consultations can vary.

Although consultation is provided for, there has been some concern that greater guidance is needed in terms of how the voices of those consulted should be incorporated into decision-making. Stakeholder consultations during the implementation stage should be strengthened and provisions for engagement during monitoring and evaluation stages are needed. Full project cycle engagement stands as a best practice demonstrated in other fora.

RECOMMENDATIONS

Transparency

[Transparent Reporting](#)

The **GEF Council** should:

- Ensure that all reports produced during the project cycle of the LDCF and SCCF are made available through the GEF's website. This includes evaluation reports and full project implementation reports. Furthermore, GEF Partner Agencies should release financial information on a project basis, rather than just as cumulative totals, in order to allow better third party verification of project funding.
- Require that information be made available on or through the Fund's website regarding to whom the staff and employees of GEF Partner Agencies and Executing Entities should be accountable internally within their organisations.
- Ensure that its Secretariat has sufficient resources and capacity to enable the level of transparency recommended herewith.

[Executive Decision-Making Transparency](#)

The **GEF Council** should:

- Provide clear explanations for decisions not to disclose Fund-related information and not to open Council meetings to public participation. Such explanations should weigh the reason for the decision against the public's broader right to know.

[Information Requests and Appeals](#)

The **GEF Council** should:

- Further strengthen its appeals procedure by introducing timelines within which requested information should be disclosed.
- Make details on the access to information policies of Partner Agencies available on the Fund website.

[Anti-Corruption Rules and Disclosure](#)

The **GEF Council** should:

- Require that key accountability information on GEF Partner Agencies, Executing Entities, and other actors contracted to carry out LDCF or SCCF projects is made available, easily accessible and understandable on or through the GEF's website. This information should provide assurances that adequate **complaints mechanisms, whistleblower protection, investigatory functions, sanctions, financial audits and procurement procedures** are in place to prevent and punish corruption.

- Require also the disclosure of the contractual terms which specify anti-corruption requirements and penalties existing in any contractual agreement concluded by the Council, GEF Partner Agencies and Executing Entities with any other actor who carries out Fund projects or programmes.

Operational Focal Points should:

- Provide to the Secretariat for publication on the GEF's website information or web links to information regarding to whom they are accountable in cases of corruption or fraud, what authority is empowered to investigate and penalise them, and according to what rules or standards they may be held accountable.

Accountability and Integrity

Lines of Accountability

The **GEF Council** should:

- Clarify to whom its Council Members are accountable if they behave corruptly or unethically in connection with their Fund responsibilities. Nonetheless, as an entity entrusted with public money, the GEF and the LDCF and SCCF need to provide better proof to the public that that money will be spent effectively and shielded from corruption.

Anti-Corruption Rules – Substance

The **GEF Council** should:

- Adopt a GEF-wide zero-tolerance of corruption policy which should, inter alia:
 - Set **anti-corruption rules** and **ethical conduct codes** that establish standards for expected behaviour and that define punishable corrupt and fraudulent acts. These should apply to all stakeholders engaged in Fund procedures and consultations.
 - Demand and ensure that these rules are applied and enforced throughout the operations of its Funds.
 - Promote and enable integrity training for individuals working at all levels within the Funds.
- Require that the effectiveness of required anti-corruption and integrity safeguards by GEF Partner Agencies and Executing Entities is consistently monitored and periodically evaluated through accreditation reviews, project evaluations and progress reports.
- Consider including a requirement to demonstrate integrity in appointment criteria for Council Members. This can be a statement or other formal confirmation that the appointed Member is likely to be honest and ethical in their functions on the Council. Similar guidelines for the selection of National Focal Points should be created.
- To the extent necessary, consider integrity trainings for Fund actors, including on key policies related to transparency and stakeholder engagement. For any new training put in place as well as training already being carried out, there should be more information on the training received, its content and reach.

Investigations

The **GEF Council** and the **Conference of Parties** should:

- Take steps to articulate an appropriate accountability process for the Council should it fail to address or condone corruption within the Funds as well as for individual Council Members should they act corruptly.
- Establish independent, impartial bodies to ensure oversight and investigatory functions.

The **GEF Council** should:

- Further clarify policies and guidelines regarding investigations into **the misuse of funds or other corrupt activity** in projects and programmes. This should include a clarification of the relative roles of the GEF Partner Agencies and that of the Conflict Resolution Commissioner.

Appeals

The **GEF Council** should:

- Develop and adopt a formal appeals procedure to respond to requests that Fund decisions be explained, reviewed or revoked. If the Conflict Resolution Commissioner already plays a role in this regard, this should be clarified.

Whistleblower Protection

The **GEF Council** should:

- Clarify urgently the information on whistleblower protection that is available at the Fund level.

Complaints Mechanisms

The **GEF Council** should:

- Establish an independent complaint mechanism to strengthen their credibility and legitimacy by providing a way by which corrupt or unethical behaviour of Council Members could be reported and addressed by third parties.
- Build on their existing mechanisms for accepting complaints through the Conflict Resolution Commissioner by improving information on anonymity, confidentiality, content and evidence, types and time period of responses, effective remedies or sanctions, whistleblower protection, and rules on abuse of the mechanism.
- Provide a sufficient level of essential, accurate information which victims and witnesses would want and need to know in order to make a complaint regarding alleged abuses at the project level.
- Ensure that statistics on the number or type of complaints received and information on resolution is available.

Sanctions

The **GEF Council** should:

- Clarify what sanctions would be applicable to the Council in the event that an investigatory function is put in place for them.
- Clarify or determine that the investigatory functions of GEF Partner Agencies include capacities to impose and enforce sanctions when wrongdoing occurs
- Amend its policy and model legal agreement with GEF Partner Agencies to allow the misuse of funds to be potential grounds for terminating accreditation and contract agreements.

Civil Society Participation

The **GEF Council** should:

- Update its Public Involvement Policy to incorporate guidelines on how issues raised by civil society can be dealt with and incorporated at specific stages in the project cycle. This has been urged in order to take on board best practices which have emerged since the passing of the policy in 1996. This commitment to review should be followed through without delay.
- Make specific provision for the consultation of civil society in the ongoing process of accreditation of new GEF Partner Agencies. This becomes particularly important when national entities are considered, as national NGOs have knowledge on the performance of these entities, including their areas of weakness in terms of the fiduciary standards.
- Share and promote its efforts to ensure Observer participation. The Council's resolutions to support the GEF-NGO Network, allocate funds for the Network and support Observers from the global south to attend meetings are all positive and should be shared with and encouraged among other Funds.

MAPPING AND ASSESSMENT: FULL REPORT

THE LEAST DEVELOPED COUNTRIES AND SPECIAL CLIMATE CHANGE FUNDS: AN OVERVIEW

The Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) are both Funds under the Global Environment Facility (GEF) that were established under the UN Framework Convention on Climate Change (UNFCCC) in 2001. Through these two Funds as well as through the Strategic Priority on Adaptation, the GEF has a significant focus on strengthening developing countries' resilience to climate change. The GEF Adaptation Programme has supported a global portfolio of adaptation projects and programmes in more than 110 countries with total grant resources exceeding US\$700 million.⁸

The LDCF was designed to address the special needs of least developed countries under the UNFCCC, with the priority of supporting the preparation and implementation of National Adaptation Programmes of Action. These Programmes are used to identify and prioritise countries' urgent and immediate adaptation needs, focusing on the sectors and resources that are central to human and socioeconomic development. All least developed countries that are party to the UNFCCC are eligible to receive financial support in the form of grants to prepare their Programme. As of 2013, 49 have been completed and two are in the process of preparation. 46 countries that have completed their Programmes have also accessed resources for the implementation of their priorities. To date, US\$880 million has been pledged to the LDCF by 25 donors with the largest contributors being Germany (US\$222 million) followed by the United Kingdom, Sweden, the United States and the Netherlands.⁹

Unlike the LDCF, which is specifically dedicated to the urgent and immediate needs of least developed countries, the SCCF is open to all vulnerable developing countries. In addition, it may finance a wide range of concrete adaptation measures, which may include longer term time horizons such as long-term response strategies, policies and measures rather than short-term activities. This Fund provides grants for activities that are complementary to those funded by GEF under the climate change focal area. The present strategy encompasses the SCCF Adaptation Programme and the Programme on Technology Transfer.¹⁰ To date, US\$258 million has been pledged to the SCCF by 15 donors with the largest contributors being Germany (US\$79 million) followed by the United States, Norway and Belgium each pledging in excess of US\$20 million.¹¹

Projects under both of the Funds are implemented by a range of international multilateral organisations. The UN Development Programme is by far the most predominant implementing actor, receiving a 37 per cent share of the total value of all LDCF and SCCF projects.

Both from a country and a business perspective, these projects operate in challenging contexts where there are significant risks that corruption could undermine them. In the absence of identifiable corruption risk assessments conducted by the Funds or their implementing partners ahead of project design or implementation, it is difficult to assess what precise risks might be incumbent on specific projects. However, Transparency International's *Corruption Perceptions Index 2012*¹² and the World Economic Forum's *Global Competitiveness Report 2012-2013*¹³ provide some important information suggesting that preventative measures should be employed to ensure quality project results and the efficient and effective use of climate finance. Transparency International's 2012 Index, for example, shows that perceptions of corruption are very high with only three LDCF recipient countries and none of the SCCF recipient countries scoring over 50 on a scale from 0 (very corrupt) and 100 (very clean). Meanwhile, the World Economic Forum's 2012-2013 Report shows that "favouritism in decisions of government officials" and the

“diversion of public funds” pose challenges in many of the recipient countries. Annex 2 to this report provides a table listing all LDCF and SCCF project recipient countries, GEF Partner Agencies, and approved project funding – displayed in relation to the levels and types of corruption perceived in those countries.

THE ACCOUNTABILITY MAPPING

Overview

The accountability mapping of the LDCF and SCCF reviews the relationships between key actors in the Funds in an attempt to ascertain to whom they are accountable and how they are held to account. In this context, accountability is understood as the process by which individuals, agencies and organisations (public, private and civil society) are held responsible for executing their powers properly, are “answerable for their actions”, and subject to “redress when duties and commitments are not met”.

First, the main Fund **bodies** are introduced in terms of their role, composition and relationship with other actors. This is followed by an examination of the accountability of:

- Fund bodies towards other internal or external actors.
- Individuals (employees or appointed members) who act within those bodies.

These accountability arrangements are then analysed in terms of the policies in place to regulate how “accountees” are held accountable to “accounters”. This involves analysis of the:

- Rules or standards that define the expected conduct of those bodies and individuals and the “criteria by which they might validly be judged”.
- Process by which they may be investigated for failure to meet those rules or standards.
- Process by which they are answerable and permitted to defend themselves regarding any allegations or findings on their conduct.
- Availability of sanctions (punishments or penalties) and enforcement.¹⁴

Overview of LDCF and SCCF Project Cycle, Actors and Accountability

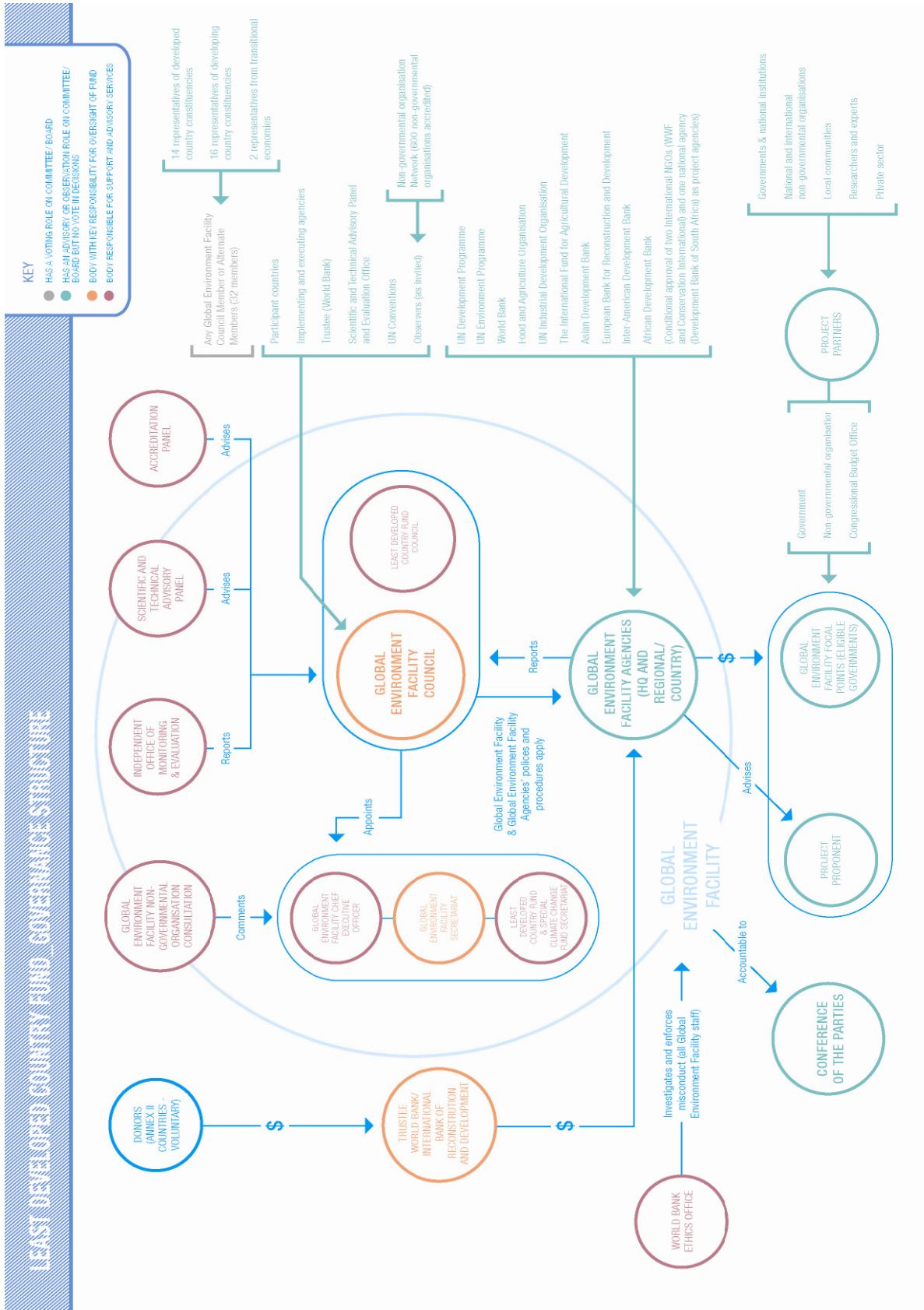
As illustrated in the map below, the main stages of the project cycle for both LDCF and SCCF are similar with a clear division between medium-sized projects and full-sized projects which allows for a more stream-lined process in the case of the former. A **medium-sized project** is one requiring less than US\$2 million in the case of the LDCF or US\$1 million for the SCCF. For such projects, a Proponent can follow a simplified cycle of:

- 1) Submission of full proposal.¹⁵
- 2) Review and approval (by the GEF Chief Executive Officer).
- 3) Implementation.
- 4) Monitoring and evaluation.

A **full-sized project** is one requiring more than US\$2 million in the case of the LDCF or US\$1 million for the SCCF. For such projects, a Proponent must follow a longer cycle of:

- 1) Submission of Project Proposal (Project Identification Form). If it is being sought, a Project Preparation Grant can also be applied for at this time.
- 2) Review of the Project Identification Form and Project Preparation Grant (if submitted by the Council).
- 3) Approval or endorsement of the Project Identification Form and Project Preparation Grant by the Council.
- 4) Project preparation and submission.
- 5) GEF Chief Executive Officer endorsement of the project. Approval of the Council is only required at this stage if significant changes are noted from the initial approval of the Project Identification Form or if, at that first approval stage, the Council requested that it be sent back to them at the later stage.

- 6) Implementation.
- 7) Monitoring and Evaluation.



LEAST DEVELOPED COUNTRY FUND PROJECT CYCLE

KEY

- DONORS
- ELIGIBLE RECIPIENT COUNTRIES
- OTHER DEVELOPING COUNTRIES
- INTERNATIONAL ORGANISATIONS
- MULTILATERAL DEVELOPMENT BANKS
- EXPERTS
- PRIVATE SECTOR
- CIVIL SOCIETY
- UNKNOWN ACTOR

MONITORING & EVALUATION

The Global Environment Facility Implementing Agency leads Monitoring & Evaluation reporting. The Global Environment Facility determines approach and framework for Monitoring & Evaluation; civil society contributions are indirect via various channels

- Donors: via The Global Environment Facility Council
- Least developed countries: via The Global Environment Facility Council
- Recipient: via Implementing Agents in project
- World Bank (Trustee) via The Global Environment Facility Council
- Civil society: via The Global Environment Facility Non-governmental organization Consultation + The Global Environment Facility Co. interventions

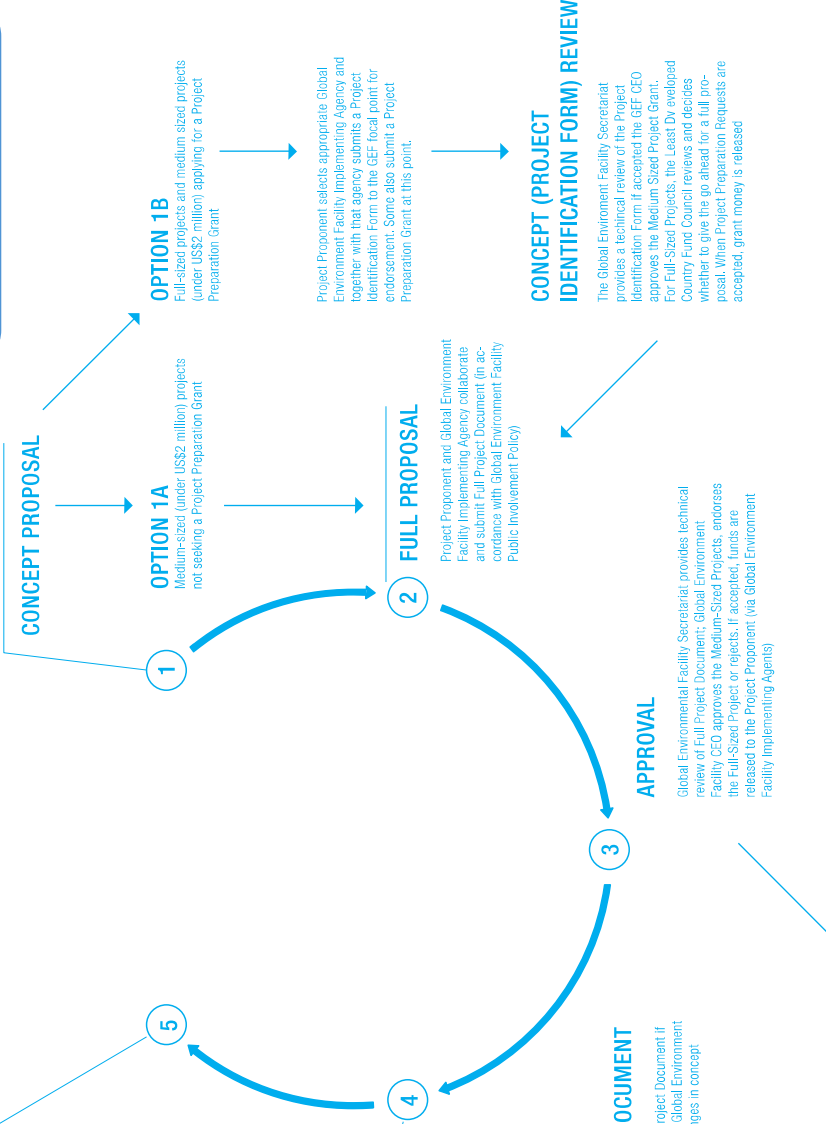
IMPLEMENTATION

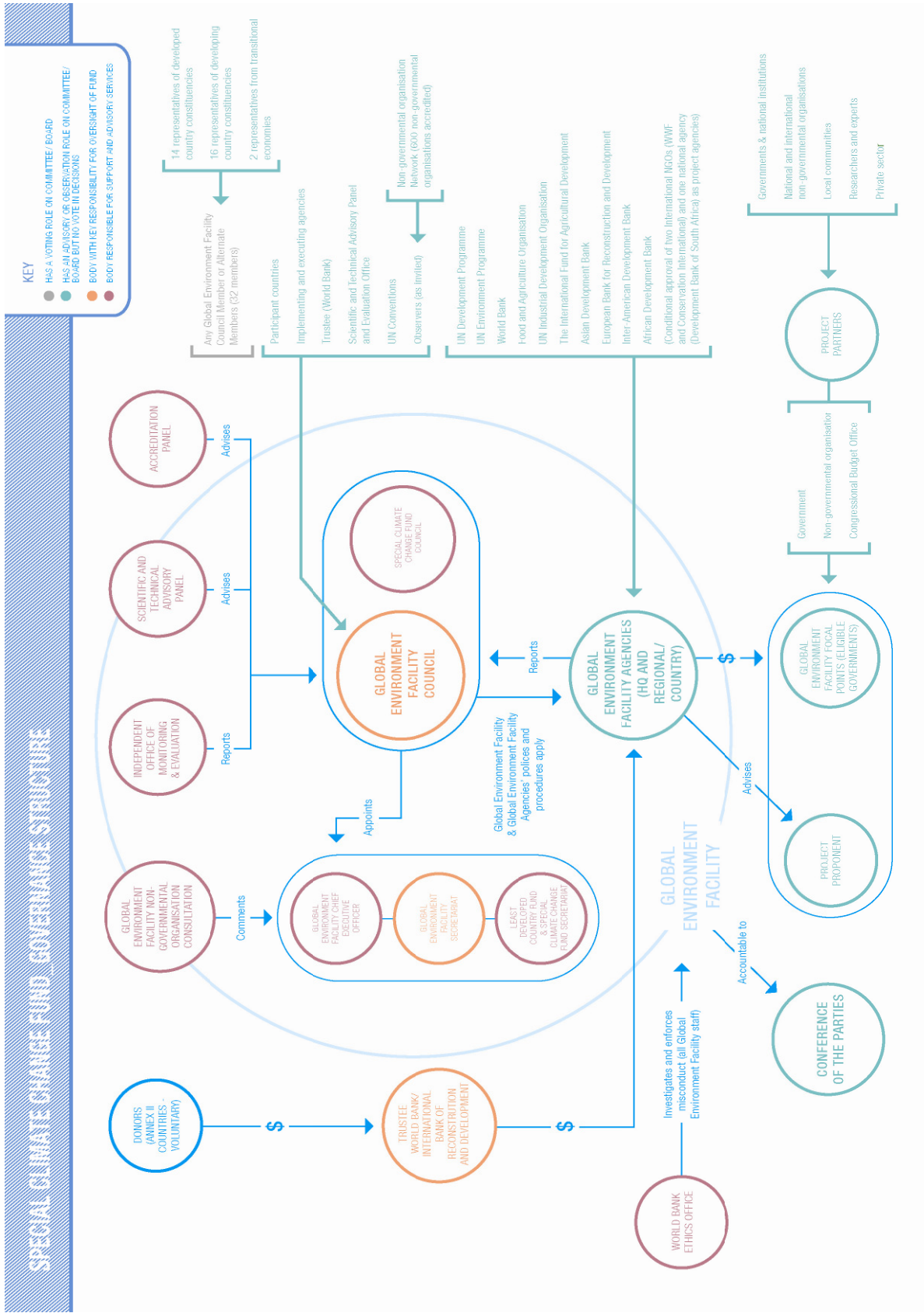
The Global Environment Facility Implementing Agency and Project Proponent lead, consultation of public and civil society required by Global Environment Facility policies

- Private sector: Impact Factor project partner
- Experts: If project partner
- Civil society: If project partner or involved via public participation

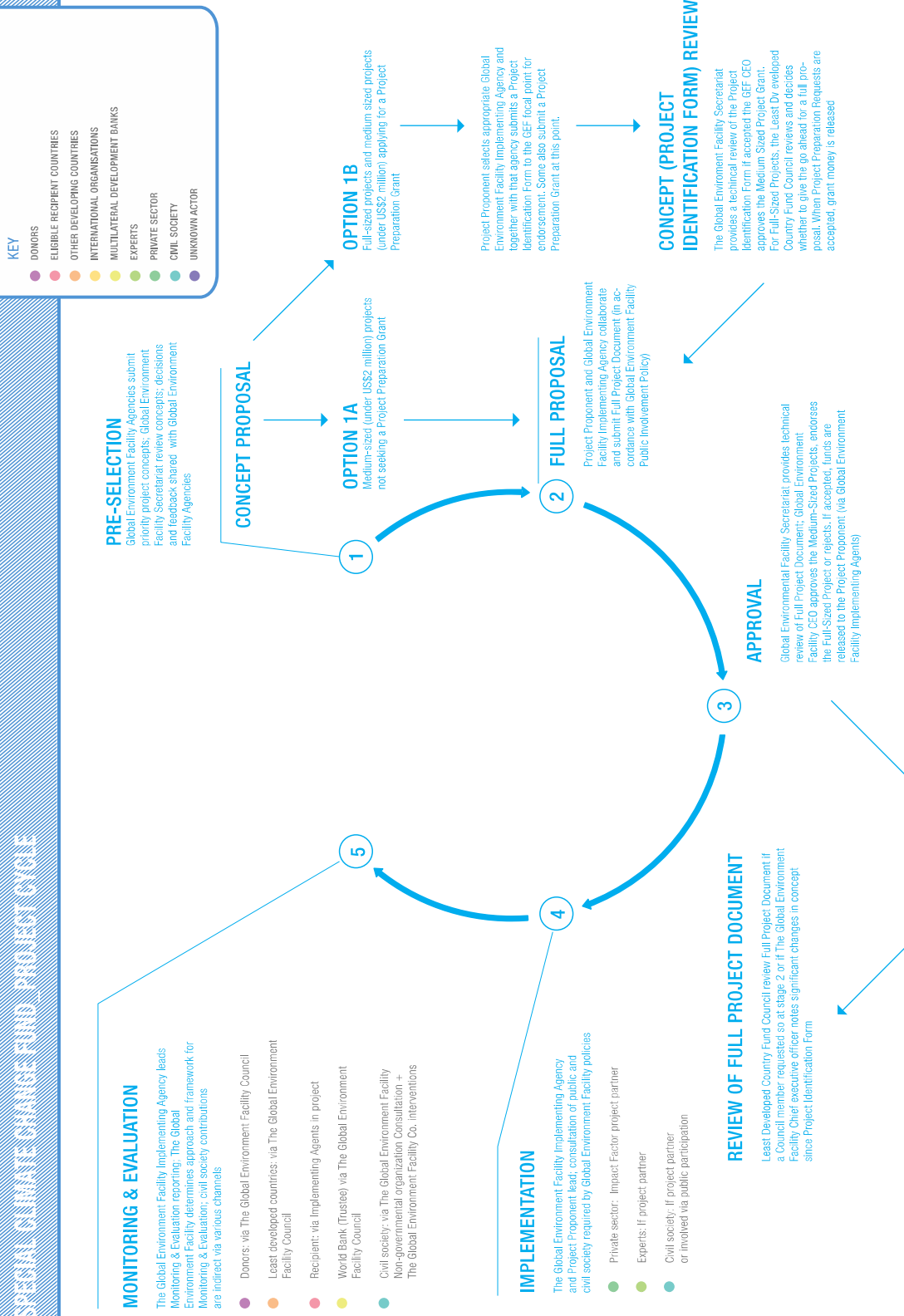
REVIEW OF FULL PROJECT DOCUMENT

Least Developed Country Fund Council review Full Project Document if a Council member requested so at stage 2 or if the Global Environment Facility Chief executive officer notes significant changes in concept since Project Identification Form





SPECIAL CLIMATE CHANGE FUND PROJECT CYCLE



Key actors that perform decision-making, supportive and/or implementing roles include the GEF Assembly, the LDCF/SCCF Council, the GEF Secretariat, the GEF Chief Executive Officer, the Trustee, the Scientific and Technical Advisory Panel, and the independent Office of Monitoring and Evaluation.¹⁶ Exterior to this core structure are GEF Partner Agencies (this is the operational arm of the GEF, as it develops its projects through ten GEF Partner Agencies),¹⁷ project partners, GEF Operational Focal Points, Observers and other national stakeholders in recipient countries.

The World Bank plays a key role in the governance structure, as it serves as both the Fund's Trustee and one of its Partner Agencies. In its relationship with the GEF, the Bank also holds the employment contracts of all GEF Secretariat staff as well as of other Fund non-secretarial employees, such as consultants and experts. Each of these actors performs specific roles throughout the project cycles of the LDCF and SCCF and is subject to different codes of conduct, investigative rules and sanction should they engage in corrupt acts. The roles and rules applicable to each actor are now set out in greater detail.

GEF Assembly

Composition and Functions

The GEF Assembly is the governing body of the GEF where representatives (ministers and high-level officials) of all member countries participate. Its chair is elected from among the representatives, and all decisions are reached by consensus. It meets every three to four years. In terms of its function, the Assembly is responsible for reviewing and evaluating the GEF's general policies, the operation of the GEF and its membership. The Assembly is also responsible for considering and approving proposed amendments to the GEF Instrument, the document that established the GEF and set the rules by which the GEF operates. The Council makes these recommendations and drafts the proposed decisions for approval by the Assembly.

Accountability as Individuals

It is not expressly stated to whom GEF Assembly Members are individually accountable. Any codes of conduct, investigative processes and punitive actions would most likely rest with the individual's national government or in any other relevant legal jurisdiction.

GEF and LDCF/SCCF Council

Composition and Functions

The GEF Council is the main governing body of the GEF. The LDCF/SCCF Council is in essence the GEF Council, which meets specifically for reasons and decisions pertaining to the LDCF and SCCF – making it the main decision-making body of the two Funds. The Council is accountable on an annual basis to the Conference of Parties. The Council is made up of 32 constituencies (16 from developing countries, 14 from developed countries, and 2 from countries with transitional economies) that meet twice each year for 3 days. It is up to the members of a constituency to decide the manner or rotation of a seat. Council Members tend to be senior or mid-level career civil servants with specific knowledge on the topics and they often represent the Ministry of Finance/Treasury.¹⁸

In terms of their function, the LDCF/SCCF Council functions as an independent Council of directors, with primary responsibility for reviewing and developing project proposals and providing technical advice to the GEF Chief Executive Officer so that an informed decision may be taken to approve or reject a proposal. When a Project Proponent submits a project identification form for a full-sized project, the LDCF/SCCF Council undertakes a technical review. Once a project proposal becomes a full project document, the LDCF/SCCF Council only reviews it if a Council Member requests it or if the GEF Chief Executive Officer notes a significant change in the contents of the project proposal since the Project Identification Form stage. During implementation, the Council has an important role in dispute resolution should resolution through the GEF Secretariat and GEF Chief Executive Officer fail, although the exact remedies it can

resort to are not set out.¹⁹ It also receives and reviews reports from the Trustee on the status of the Funds' resources and the GEF Secretariat on the activities of the Funds.

While the GEF Assembly is an important decision-maker within the GEF, the relevance of its decision-making to the everyday operations of the two Funds is minimal as it only meets once every three to four years. Instead, the LDCF/SCCF Council wields the most decision-making power of all the Funds' bodies. The GEF is ultimately accountable to the Conference of Parties and to the UNFCCC. While the Conference of Parties provides regular guidance to the GEF on policies, programme priorities and eligibility criteria for funding, the GEF reports annually to the Conference of Parties on all GEF-financed activities carried out in implementing the UNFCCC.²⁰

Accountability as Individuals

From our analysis, it is not evident that there are comprehensive preventative measures in place such as codes of conduct or a conflict of interest policy for the LDCF/SCCF Council. There has been reference to an exclusion from voting on the basis of conflicts of interest, particularly on votes concerning the accreditation of national entities and subsequent project approvals, although further elaboration of such exclusions beyond the accreditation process could not be found.²¹

As a rule, the Council normally votes by consensus – an effective practical measure to avoid individual conflicts of interest from influencing Council decisions. However, particularly because Council Members carry out external functions alongside their Fund responsibilities, it could come to pass that beyond the purview of the Council – in an informal setting, for example – a Member might be offered a bribe or a kickback to sway their decision-making.

Corrupt acts like these are also not explicitly regulated in GEF policies. Therefore, in the meantime, it is likely that Members are accountable only to their national governments, and the codes of conduct and other integrity and accountability tools which they adhere to will depend upon the provisions of their respective country.

Key Findings and Recommendations

The accountability rules in place do not demonstrate clear resolve by the Funds to ensure the integrity of Council Members. Although the policy to vote by consensus limits the possibility of particular interests from influencing decision-making processes, two short-comings remain which should be addressed in order to further advance the Funds' internal accountability processes:

- The Funds should consider a more wide-reaching code of conduct, covering not only conflicts of interest in relation to accreditations and project approvals but also corrupt behaviour more broadly, such as taking bribes, accepting exorbitant gifts and misrepresentation. The rules also do not appear to contain positive requirements for ethical behaviour. In the absence of such rules, it is not clear how and on what basis the Council would deal with corrupt or unethical behaviour by Council Members.
- The Funds are also missing an accountability process whereby Council Members can be held accountable by the Council as well as sanctioned for misbehaviour.

To address these accountability gaps, the **GEF Council** should:

- Develop and adopt more robust rules governing the integrity and anti-corruption of Council Members which address both ethics and corrupt behaviour to be avoided.
- Develop and adopt policies to ensure that investigatory and sanctioning processes are in place to assure accountability for unethical and corrupt behaviour by Council Members. This should include assurances of the independence and impartiality of the Council and its procedures to hold Council Members to account for integrity breaches.

To address these accountability gaps, the **Conference of Parties** should:

- Consider the possibility of establishing an independent accountability body or committee for

the Funds to provide oversight and investigatory functions and issue and enforce sanctions as required. One possibility might be that the Conference of Parties establishes such a body.

Accountability as Body

The GEF Council – as an entity – is fully accountable to the UNFCCC Conference of Parties. The terms of that accountability, however, refer largely to the functions of the Council itself and its requirement to report to the UNFCCC. The policies of both entities appear to be silent on accountability rules and processes relating to corruption.

Key Findings and Recommendations

In sum, the following findings are observed:

- Relevant policies do not seem to stipulate accountability of the GEF Council itself for practicing, condoning, supporting or otherwise failing to address corrupt behaviour within the Funds. This stark absence is worrisome given its importance for setting accountability standards, defining values and creating a culture of zero-tolerance for corruption within all stages and levels of the Funds.
- A clear, independent and impartial process to ensure accountability of the GEF Council is not set out in identifiable policy documents. That does not necessarily mean that the Conference of Parties would not hold the Council accountable. If, for example, a decision taken by the Council was influenced by corrupt behaviour and the Council did nothing to address that, it would likely be accountable to or at least answerable to the Conference of Parties. However, how and by what process that accountability could be realised through investigatory and sanctioning processes is not elaborated at the policy level. Despite practical and political challenges of the Council being held accountable to an inter-governmental process such as the Conference of Parties, accountability terms and processes need to be clarified and need to assure sufficient levels of impartiality, integrity and independence.

To address these issues, the **Conference of Parties** and/or the **GEF Council** should:

- Develop and adopt policies and guidelines which set out the accountability of the Council to the Conference of Parties for practicing, condoning, supporting or otherwise failing to address corrupt behaviour within the Funds.
- Develop and adopt policies and guidelines which define a clear, independent and impartial process to ensure the accountability of the Council. This could include the establishment of an independent committee under the Conference of Parties to ensure the Council's accountability by providing oversight and investigatory functions as well as by issuing and enforcing sanctions as required.

GEF Council Panels

Composition and Functions

The GEF **Scientific and Technical Advisory Panel**²² plays a role in advising the LDCF/SCCF Council and Secretariat. The Executive Director of the UN Environment Programme, in consultation with the UN Development Programme, the World Bank, the Partner Agencies and the GEF Secretariat and upon approval of the GEF Council, appoints the six independent Members and a Chairperson to serve for a two year term.

During the project cycle, the experts of the Panel offer advice on GEF policies, operational strategies, programmes, and on project and programmatic approaches. The Panel reports to each regular meeting of the GEF Council and, if requested, to the GEF Assembly on the status of its activities. The UN Environment Programme provides the Secretariat for the Panel and operates as its liaison with the GEF.

The **Accreditation Panel**²³ is an independent panel with three members competitively recruited by the GEF Secretariat, following procedures approved by the GEF Council. The mandate of the Panel is to make recommendations to the GEF Council regarding the accreditation of a new Partner Agency, the review of accreditations and the reaccreditation of a Partner Agency after suspension. To date, the Panel is only active on the first of these as the second two processes have yet to be developed.

Accountability as Individuals

In the case of the **Scientific and Technical Advisory Panel**, there are some rules in place. To avoid any potential conflicts of interest, Members of the Panel who hold positions in government, non-governmental organisations, or who are working in or have any contractual arrangement with an Implementing or Executing Partner Agency or the GEF Secretariat are required to disclose this information to the Executive Director of the UN Environment Programme. Furthermore, potential conflicts of interest with Agencies or individuals involved in individual projects should be disclosed to the Chairperson of the Panel. At the discretion of the Chairperson, Members may be excluded from attending Panel discussions in which she or he has a personal interest or has had significant involvement in any capacity.

Although the Terms of Reference for the Panel provides details on disclosure of conflicts of interest as above, there is no indication of what would happen should such a conflict not be disclosed. In cases where a Panel Member breaches the disclosure rules or otherwise acts corruptly, it would appear, based on their method of appointment, that they are accountable to the Council through the head of the UN Environment Programme. The Terms of Reference for the Panel do indicate that a Member can be removed from their position “for cause”, although this is not further elaborated on.²⁴

In terms of the Accreditation Panel, each Panel Member is required to commit in writing to comply with the rules defined by the Council, in particular with regard to confidentiality and to independence from commercial and other conflicts of interest, including any existing or prior association with a Partner Agency to be assessed. The Terms of Reference further note that the Panel should be bound by any code of conduct adopted by the Council. However, no applicable code could be found. Furthermore, as they are recruited via the Secretariat, it is expected that the Panel will hold World Bank contracts. As such, it is likely that their accountability will be similar to that of the Fund’s Secretariat staff (see below).

Accountability as Body

No separate entity has been contracted to carry out the services provided by either Panel – individuals are rather appointed based on their personal capacities. As such, the accountability of the two Panels as bodies is not explored.

Key Findings and Recommendations

In sum, the following findings are observed:

- Although there are some provisions for the Scientific and Technical Advisory Panel in terms of avoiding conflicts of interest and a provision that they can be removed “for cause”, there is little in terms of investigatory processes in place as well as accountability for engaging in other types of corrupt behaviour, such as taking bribes, accepting exorbitant gifts and misrepresentation. In the absence of these rules, it is not clear how and on what basis corrupt or unethical behaviour on behalf of the Panel would be dealt with.
- It is clearly envisaged in the Terms of Reference of the Accreditation Panel that a code of conduct was expected to be put in place to cover the conduct of those operating within the Fund. However, no such code has been put in place.

To address these issues, the **GEF Council** in collaboration with relevant partners should:

- Develop clearer guidance on the rules in place that are applicable to the Scientific and Technical Advisory Panel, including the type of behaviour that should be avoided, the investigatory process that will be followed and more clarity on the circumstances in which a Panel Member can be removed.

- Develop and adopt a Fund-wide code of conduct which sets out clear standards of behaviour required, identifies corrupt behaviour to be avoided in addition to conflicts of interest, and sets out clear investigatory processes and potential sanctions.

LDCF/SCCF Secretariat

Composition and Functions

The LDCF/SCCF Secretariat sits within the GEF Secretariat and is governed by its structures, policies and procedures. Secretariat staff are, therefore, recruited and hired by the World Bank. During the project cycle, the Secretariat coordinates the formulation of projects, oversees their implementation, and makes certain that operational strategies and policies are followed.

All proposals come to the Secretariat for technical review based on a desk-based review and site visit if necessary. Medium-sized project concepts can then go directly to the GEF Chief Executive Officer for approval whereas full-size projects proceed through the Council then back to the Proponent to develop a full project document.

The Secretariat also reviews and reports to the Council on the adequacy of arrangements made by GEF Partner Agencies as well as provides the Trustee with all relevant information to enable it to carry out its responsibilities. It also prepares an annual report on the activities of the GEF for Council approval.

In order to facilitate the implementation of GEF Council decisions relating to Partner Agencies, the GEF Secretariat entered into Memoranda of Understanding with them, which enumerate the general understandings concerning the Partner Agencies' responsibilities in connection with allocation of GEF resources to them.

Accountability as Individuals

GEF (and thus LDCF/SCCF) Secretariat staff follow World Bank administrative rules. As World Bank staff, each member of the Secretariat is bound by the World Bank's Code of Conduct,²⁵ which explicitly outlines a range of actions to be proactively avoided including personal, business and other conflicts of interest, fraud, and corruption. The Code includes an advisory on kickbacks, bribery, facilitation payments and money laundering, and it highlights best practices regarding procurement and fiduciary responsibilities.

If a Secretariat staff member were to act corruptly, allegedly or otherwise, it would be dealt with through the World Bank's investigatory functions as a part of its overarching anti-corruption policy. The World Bank has its Integrity Vice Presidency, which functions as an independent unit appointed by the Council to investigate and pursue sanctions related to allegations of fraud and corruption in World Bank Group-financed activities. This function applies to all staff and employees, including consultants hired by the World Bank. In cases where an allegation of corruption is investigated and proven internally, the employee faces consequences including loss of employment, forfeiture of salary for a period of time or indefinite illegibility of employment with the World Bank Group. In cases where the corrupt action counts as a crime, the World Bank also refers these cases to law enforcement officials.

Secretariat staff are also subject to a separate and complementary set of ethical guidelines put in place by the GEF Evaluation Office to deal with conflict of interest issues and the ethical rights of stakeholders during evaluations. The guidelines also contain information on the declaration of interests relevant to evaluation within the LDCF/GEF.²⁶

Finally, there does not appear to be any requirements at Council level covering Secretariat staff conduct when participating in Council meetings, such as a requirement for a conflict of interest declaration.

Accountability as Body

Once again, in the absence of the contracting of an external body to provide secretariat services, there is no accountability relationship between the Funds and an external entity to assess.

Key Findings and Recommendations

In sum, the following findings are observed:

- Rules and standards, investigatory processes, and sanction systems governing THE accountability (for function and for anti-corruption) of the Secretariat are sufficiently robust. The investigatory function of the World Bank involves an established independent body and procedures. Sanctions are clear and enforceable. Taken together, the accountability system to address corrupt or unethical behaviour by Secretariat staff represents good practice.
- The Secretariat staffs' accountability to the Council or to the Conference of Parties (see below) is also important but seems to lack sufficient explanation. At present, Secretariat staff do not appear to be accountable for their conduct at the Fund level but rather to the World Bank. This is true even though the Secretariat's main functions are serving the Council (and not the World Bank). To allay this confusion, clarity is needed to define the appropriate thresholds of accountability amongst the Council, the World Bank and the Conference of Parties.

In response to these findings, the **GEF**, the **World Bank**, the **GEF Council** and/or the **Conference of Parties** should:

- Clarify the accountability of the Secretariat staff to the Council and the Conference of Parties.

GEF Chief Executive Officer

Composition and Functions

The GEF Chief Executive Officer is appointed to serve for four years by the GEF Council through its Selection and Review Committee which makes a recommendation of three candidates, in order of preference. The Chief Executive Officer may be reappointed by the Council for one additional four year term. The Chief Executive Officer is accountable to the Council for the performance of the GEF Secretariat, and it is administratively accountable to the World Bank as a World Bank contract holder. The status of the Chief Executive Officer is equivalent to a World Bank Vice President, but unlike other Vice Presidents, she or he does not report to the World Bank President.

The Chief Executive Officer leads the GEF Council in Strategy Development, Operational Management and Relationship Development. Globally, she or he represents the GEF and its Council as it relates to sustainable development and the environment, and they lead the interaction with secretariats of the other global conventions. The Chief Executive Officer can approve medium-sized projects by her or himself and endorses a fully developed project proposal which triggers release of funds by the Trustee.

Accountability as Individuals

In the case of the Chief Executive Officer engaging in corrupt practices, it is not clear what would happen. Although accountable for the exercise of her or his functions to the Council, the Chief Executive Officer is a World Bank contract holder and, as such, should be subject to World Bank codes of conduct and disciplinary actions as set out above for the Secretariat.

The GEF also has a mechanism for the taking in and handling of complaints from external parties. All complaints directed to the GEF are handled by the Conflict Resolution Commissioner.²⁷ The Chief Executive Officer can also receive letters with allegations of corruption directly from relevant stakeholders, which are then generally forwarded to the GEF Conflict Resolution Commissioner.

Key Findings and Recommendations

In sum, the following findings are observed:

- The Conflict Resolution Commissioner reports directly to the Chief Executive Officer. Therefore complaints made about the Chief Executive Officer through the World Bank can be dealt with independently whereas those directed through the GEF would seem to come under the Chief Executive Officer's authority.

To address this challenge the **GEF Secretariat** should ensure that:

- Greater clarity is provided in terms of the rules that are in place regarding the accountability of the Chief Executive Officer, particularly, for corrupt acts in particular, to ensure that any complaints directed through the Conflict Resolution Commissioner are adequately followed up on and sheltered from interference.

GEF Evaluation Office

Composition and Functions

The GEF Evaluation Office was formed as an independent monitoring and evaluation unit.²⁸ The Evaluation Office has the central role of ensuring the independent evaluation function within the GEF, setting minimum requirements for monitoring and evaluation, ensuring oversight of the quality of monitoring and evaluation systems on the project and programme levels, and sharing evaluative evidence within the GEF. It prepares the *Annual Monitoring Report* based upon reporting by GEF Partner Agencies and reports to the Council annually on the various indicators and targets, including progress towards project outcomes and reasons for delay in implementation and completion of projects. The Evaluation Office does not have any responsibility in auditing or monitoring use of funds for an individual project. However, if evidence of wrongdoing is uncovered during monitoring or evaluation, the evaluator (or project manager) is required to report cases to the GEF Director of Evaluation, who is required to then "take appropriate action such as informing the investigative body of the agency concerned".

Accountability as Individuals

Like the Secretariat, Evaluation Office staff hold World Bank contracts and are covered by the same rules in cases where corruption occurs. They have also developed their own separate and complementary set of ethical guidelines to deal with conflict of interest issues and the ethical rights of stakeholders during evaluations. The guidelines also contain information on the declaration of interests relevant to evaluation.

The Evaluation Office, however, reports directly to the Council, and it is independent of GEF Partner Agency and Secretariat management. There do not appear to be any additional requirements, investigative procedures or sanctions at Council level covering the Evaluation Office.

Key Findings and Recommendations

In sum, the following findings are observed:

- The Evaluation Office has put in place their own guidelines seeking to avoid corruption in the carrying out of their functions. However, they stop short of considering steps that would be taken should such guidelines be breached.

To address this challenge, the **GEF Evaluation Office** should:

- Consider amending their ethical guidelines to bring greater clarity to the steps that would be taken should these guidelines be ignored, which rules would apply and the sanctions that could be imposed.

The Trustee

Composition and Functions

The World Bank serves as the Trustee for both the LDCF and the SCCF.²⁹ The Trustee administers the two Funds in accordance with the applicable provisions of the GEF Instrument and decisions of the GEF Council.

The Trustee mobilises resources for the Funds and manages the funds received. It signs Financial Procedures Agreements with GEF Partner Agencies and disburses funds to them in accordance with GEF Council decisions. The Trustee's responsibility for monitoring the use of GEF funds entails receiving required financial reports from the Partner Agencies and suspending commitment and disbursement to Partner Agencies in protracted non-compliance with the reporting requirements under the Financial Procedures Agreements.³⁰ It provides regular reports on the financial status of the Trust Funds to the LDCF/SCCF Council.³¹

Accountability as Individuals

The Trustee staff are governed by World Bank rules and employment contracts. Corrupt behaviour by Trustee staff is dealt with in the same way as for Secretariat staff (see above section on the Secretariat).

Accountability as Body

Although the legal agreement between the Trustee and the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol could not be found, it may be anticipated that the same framework agreement is in place as for the Adaptation Fund, given their shared origin.

In this case, the Trustee is contracted by and is accountable to the Conference of Parties. The terms of the legal agreement between the Conference of Parties and Trustee confirm the potential liability of the Trustee, that is, the World Bank, as an organisation to the Conference of Parties in cases where the Trustee fails to perform its functions as a result of its own gross negligence and wilful misconduct.³² In such cases, the World Bank would take the burden of "any (resulting) liabilities, claims, losses, costs or expenses". That liability, however, would not include liability for actions whereby the World Bank relies "in good faith on any written decision, instruction, direction or guidance of the Conference of Parties, Adaptation Fund Council or any Authorized Designees, without further inquiry or investigation on its part or otherwise for any actions taken, or omitted to be taken, in good faith". The agreement provides for a Dispute Resolution Procedure to address any disputes, controversies or claims. The said agreement also gives the Conference of Parties the power to terminate its contract with the Trustee at any time.

In addition to any such agreement in place with the Conference of Parties, the Trustee is accountable to the Council in instances of misappropriated funds by a GEF Partner Agency.³³ However, its obligations are limited to stopping the flow of further funds but not recovering misused funds from the Partner Agencies.

Key Findings and Recommendations

Considering the above, the below finding is observed:

- Should the contractual arrangements for the GEF be the same as those for the Adaptation Fund, the terms of the accountability of the Trustee would be set out in this agreement. However, the threshold for accountability is high – unless a very serious case of gross negligence or wilful misconduct by the World Bank were determined, its liability may not be invoked. Greater clarity and guidance are needed to understand what would happen in less serious cases and also what mitigating actions could or should be taken by the World Bank to limit its liability. For example, if a World Bank staff member had received kickbacks for mismanaging the Fund's accounts intentionally, it is unclear to what extent internal corrective action would serve to mitigate its liability.

To clarify this situation, the **Conference of Parties** and the **World Bank** should:

- Explain further the scope and limitations of its liability for corrupt behaviour and actions within the World Bank as Trustee. The World Bank may consider a commentary or Frequently Asked Questions (FAQs) response to enable more open understanding of its accountability to the Conference of Parties.

GEF Partner Agencies

Composition and Functions

GEF Partner Agencies or Partner Agencies are responsible for project and/or programme implementation, monitoring and reporting. All Partner Agencies are accountable to the GEF Council for use of GEF resources made available to them. There are currently 12 GEF Partner Agencies. These include:

- Three original GEF Partner Agencies who were signatories to the GEF instrument: the UN Development Programme, the UN Environment Programme, and the Food and Agriculture Organisation of the UN.
- Seven executing Partner Agencies that joined later: the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the International Fund for Agricultural Development, the UN Industrial Development Organisation, and the World Bank.
- Two civil society organisations: World Wildlife Fund-US and Conservation International were confirmed as project Partner Agencies in November 2013.³⁴ As part of the same process which saw the accreditation of these two entities, further potential project Partner Agencies are being considered.³⁵

Partner Agencies play a key role in assisting eligible governments and non-governmental organisations (Project Proponents) in the development, implementation and management of GEF projects. As a first step, the Project Proponent identifies a project concept and selects its preferred Partner Agency. They then work together to submit relevant documentation to the GEF Secretariat, Chief Executive Officer and Council for review and approval.³⁶ If the project is accepted, funds are released through the Partner Agency which then disburses money to the Project Proponent. Project implementation is carried out jointly by the Project Proponent in collaboration with the Partner Agency. The Partner Agency also leads monitoring and evaluation of individual projects.

Accountability as Individuals

Each Partner Agency determines its own rules on accountability for its staff and employees. It is beyond the scope of this report to investigate and assess the anti-corruption safeguards and codes and investigatory and sanctioning processes and procedures of each Partner Agency. Some of these matters are, however, addressed in the assessment part of this report.

Accountability as Body

Partner Agencies are accountable to the LDCF/SCCF Council. Accountability for preventing and deterring corruption is articulated through the terms of accreditation and the contract concluded with the Partner Agencies.

First, through their accreditation process, Partner Agencies are expected to comply with a number of fiduciary standards, such as having and ensuring financial integrity and management capacity, institutional capacity and transparency, and self-investigative powers. Compliance with these standards must be demonstrated in order to secure accreditation. Three challenges remain here:

- In order to secure accreditation, Partner Agencies only must show that policies are in place – there is no requirement that Partner Agencies provide data on the use of those policies or their effectiveness.
- It is not readily discernible at the Fund level to what extent the Partner Agencies actually have and execute these fiduciary functions. This lack of transparency is problematic from an

accountability perspective as well as in setting a baseline to assess whether or not Implementing Entities are actually performing on these safeguards.

- In terms of sanctionable actions, policy documents do not stipulate whether failure to ensure these safeguards would result in any type of corrective action and by what process. There is not yet a system in place for review of accreditation or removal or suspension of the accreditation if the Partner Agency subsequently falls short in terms of meeting the standards, although the Council has reserved the right to carry out such a suspension.³⁷

Second, in terms of the legal agreement the Partner Agencies enter into with the Fund, there is little guidance in either the Financial Procedures Agreement entered into with the Trustee or the Memorandum of Association entered into with the Secretariat in terms of what actions would be taken in cases where corruption is detected.

- The Financial Procedures Agreement does allow for the possibility that the Trustee may have a concern that GEF resources “may not have been used in accordance with the Instrument and the decision taken by the Council”. This can proceed to the Trustee requesting an external audit and can end in the receipt of a notification of non-compliance from the Trustee and if, thirty days after this notice the non-compliance is deemed to continue, the suspension of any and further commitment or cash transfer to the Partner Agency until the non-compliance is resolved. Any disputes can be referred onto the Council for resolution.
- As of May 2012, the GEF had no provision that explicitly addressed the return of funds that have not been used by a GEF Partner Agency for the intended purposes to the Trustee.³⁸ There was also no mechanism for any legal enforcement action against Partner Agencies. An analysis undertaken by the GEF proposed contractual amendments to improve this situation. Although discussed at the 42nd Council meeting, it is not clear whether these measures have subsequently been adopted.³⁹
- In addition, even if the return of money is provided for, this does not, however, resolve the issue of who should be accountable or liable for a corrupt act. This is a matter which should also be determined by the terms of the contract between the two organisations. For example, if a project undertaken by the UN Development Programme were not delivered, delivered at a sub-standard quality or if project funds were lost, the liability of the Programme toward the Fund would need to be spelled out by the contractual arrangements between both bodies.

As for accountability further downstream, little information is available at the Fund level regarding what Partner Agencies require of their subcontractors. A cursory review of project Partner Agency websites shows a wide range of standards and approaches to anti-corruption policies, investigative functions and remedial measures. In most cases, information available on their websites is easily accessible and comprehensive in terms of policy commitment, codes of conduct or ethics, sanctions and enforcement, and their scope of applicability. It is clear to whom Partner Agency employees are accountable, for what kind of corrupt behaviour and what the potential sanctions are. What is not entirely clear is which cases would be handed over to local legal authorities, when and how, and if a waiver of immunities and privileges would be required.

In the case of the World Bank, for example, organisational policies and procedures suggest that their contractors should also demonstrate a reasonable level of fiduciary and anti-corruption safeguards. In relation to their projects, the World Bank stipulates sanctions against contractors/vendors for corruption or fraud, including the blacklisting of companies. However, as the contracts are not disclosed or otherwise difficult to access through the Fund’s website, it is difficult to determine to what extent these terms are built into sub-contractual relationships.

Key Findings and Recommendations

From the above study, the following findings are observed:

- Anti-corruption rules and safeguards for Partner Agencies are built into the accreditation policies of the GEF. The safeguards appear to be comprehensive in scope. However, information on what safeguards actually are in place for each Partner Agency is not available

or sufficiently accessible at the Fund level. It is, therefore, difficult to assess the actual safeguards provided without analysing each entity individually.

- Likewise, it is difficult to assess the effectiveness of these safeguards with respect to the Fund. This is because the Fund's policy does not yet allow for an accreditation review and because the Council does not appear to have monitored or evaluated the performance of Partner Agencies in realising these safeguards. While some Partner Agencies report generally on their anti-corruption performance, this information is difficult to disaggregate in order to pinpoint their performance in relation to Fund projects.
- There is very little evidence of anti-corruption requirements of Partner Agencies built into any of the legal agreements they sign onto within the fund – either the Memorandum of Understanding signed with the Secretariat when they are accredited as a Partner Agency or with the Trustee prior to the release of funds. There is scope for much greater clarity in these agreements.
- Beyond the possibility of requiring an external audit and the vague role for the Council in dispute resolution, Fund documentation is silent in terms of what investigatory processes will be employed in cases where wrongdoing is suspected.
- The Fund envisages some sanctions for Partner Agencies, including the suspension and cancellation of their accreditation, although these are not yet regulated. Further, there is no reference to the potential suspension and termination of their legal agreements or the repayment of Fund money in any instance, including in cases of misused funds or other corrupt acts.
- Based on available information at the Fund level, accountability arrangements could not be identified between Partner Agencies and subcontractors should corruption occur further downstream during project implementation.

To address these concerns and strengthen accountability arrangements with respect to corruption prevention and deterrence, the **GEF Council** should:

- Develop and adopt policies and guidelines that require the evaluation and monitoring of the effectiveness of anti-corruption rules and safeguards and accountability processes operated by Partner Agencies. The evaluation should be part of an entity's accreditation review. Monitoring should be a regular action which should require Partner Agencies to report on their performance throughout the project cycle.
- Amend current sanction policies and contractual terms to provide a lot more detail in terms of what actions on the part of Partner Agencies are sanctionable and on what sanctions can be imposed in cases where the Partner Agency engages in corruption or fraud. This would include moving forward to develop procedures for reaccreditation and disaccreditation and providing for the suspension or cancellation of legal agreements and the repayment of misappropriated funds.
- Require that Partner Agencies also ensure that their subcontractors take preventative and remedial measures against corruption and fraud in carrying out project actions. To the extent that Partner Agencies are fully accountable for project finance to the Council, they should ensure that their agreements with any subcontractor contain provisions for remedial actions, including available sanctions in cases of corruption or fraud.
- Determine a process or procedure whereby alleged misconduct of Partner Agencies may be investigated prior to them being answerable to the Council and issued sanctions.

The **Secretariat** should:

- Provide for the open disclosure of anti-corruption rules, safeguards and accountability mechanisms (including complaints mechanisms, whistleblower protection, investigatory functions, sanctions issuance and enforcement) of Partner Agencies – which they are required to demonstrate as part of their accreditation. That information should be available or, at a minimum, easily accessible at the Fund level in connection with each Fund project or programme. This could take the form of an information document on the accountability framework and anti-corruption measures produced for each project or programme.

Project Proponents / Executing Entities

Composition and Functions

Project Proponents or Executing Entities are organisations and entities implementing projects on the ground, including governments, national institutions, international organisations, local communities, non-governmental organisations, academic and research institutions, and private sector entities. They are not accredited by the Fund. Generally, information about Project Proponents is lacking. On the GEF's website, for example, references can only be found in project documents where the names of these entities are simply listed without any additional information.

During the project cycle, the Project Proponent first contacts its country's Operational Focal Point who provides assurance that the proposed GEF project is aligned to meet the needs and priorities of the country and formally endorses it. The Proponent also selects and works closely with a GEF Partner Agency which assists it in the development, implementation and management of GEF projects. Proponents carry out projects and programmes under the oversight of Partner Agencies. During project implementation they contribute to reports assembled for the Council by the Partner Agency.

Accountability as Individuals

Each Project Proponent determines its own rules on accountability for its staff and employees. It is beyond the scope of this report to investigate and assess the anti-corruption safeguards and codes and investigatory and sanctioning processes and procedures of each entity. Some of these matters are, however, addressed in the assessment part of this report.

Accountability as Body

As set out above, Project Proponents are not accredited by the Fund. The project appraisal documents give some indication of what might happen in cases of corruption or fraud. Generally, however, information about Project Proponents is obscure. On the GEF's website, references are buried in project descriptions which tend to merely list the names of the organisations, often without functioning web links. Further searching is required to find out who these organisations are and what their fiduciary and anti-corruption policies are.

Agreements between the GEF Partner Agencies and the Project Proponents may provide further information on the rules that Proponents are expected to adhere to and any investigations and sanctions they may be exposed to in cases of misbehaviour. However, such agreements, should they exist, are not readily available.

Key Findings and Recommendations

In light of the above discussion, the following findings are observed:

- Despite the important role that Project Proponents assume in securing national level approval for and developing and implementing project or programme work, there is a stark lack of information regarding their accountability and anti-corruption requirements and actual rules, safeguards and practices at the Fund level. Presumably this information exists, but it is not easily accessible at the Fund level where project information is listed.

To address these informational gaps, the **Council** should:

- Require that GEF Partner Agencies disclose, at minimum, the terms of any contracts or agreements they have entered into with Project Proponents which stipulate anti-corruption and accountability requirements and which determine remedial measures and sanctions for corrupt or fraudulent conduct.
- Require that the actual anti-corruption safeguards and accountability measures employed by Project Proponents are disclosed and accessible at the Fund level in conjunction with the relevant project information.

GEF National Focal Points

Composition and Functions

The GEF National Focal Point is an official (not an entity or organisation) who works for the public administration of the GEF country. They are not contracted by the Fund. Their selection does not require approval by the Council; it is entirely at a country's discretion. There are both Political Focal Points concerned primarily with issues related to GEF governance and Operational Focal points concerned with the operational aspects of GEF activities in-country.⁴⁰ It is the latter that have the most significant role in the project cycle.

The Operational Focal Point carries out functions such as endorsing project proposals to affirm that they are consistent with national plans and priorities and facilitating GEF coordination, integration and consultation at country level. They, therefore, screen proposals in-country before they are submitted formally to the GEF. They also formally endorse the project once it is ready for submission by the GEF Partner Agency. Their role is, therefore, generally limited to the proposal submission stages of the project cycle.

Accountability as Individuals

As noted above, the Focal Points are employed by their government to, in addition to other duties, serve and perform GEF-relevant functions. They are not contracted by the Fund but are obligated to endorse its projects. In terms of corrupt behaviour, the Focal Point would presumably be accountable under the national rules, processes and procedures governing his or her actions. However, publicly available information does not clarify what these are.

Key Findings and Recommendations

Given the importance of the Operational Focal Point in relation to the approval of GEF projects, the following key finding is observed:

- Little information regarding the Operational Focal Point is provided at the Fund level. Without investigating into the circumstances in each country, it is difficult to ascertain both the scope of their responsibilities and to whom they report and are accountable to at the national level. Likewise, in terms of anti-corruption, it is also difficult to understand what rules or standards apply to each Operational Focal Point and by what processes they may be held to account. This is important information to enable public accountability.

To improve accountability, the **Council** should:

- Encourage governments to disclose appropriate information regarding what the responsibilities of Operational Focal Points entail, to whom they report, what anti-corruption rules apply to them, and to whom and by what processes they are held accountable for failure to carry out responsibilities as well as for unethical or corrupt behaviour or activities.

National Governments should:

- Demonstrate best practice by disclosing the information outlined above for their citizens and request that this information is linked into the GEF's website for wider stakeholder knowledge.

Citizens should:

- Demand the disclosure of such information through the most appropriate and accessible government source as well as the GEF's website.

Observers

Composition and Functions

Observers are individuals who can participate in any open session of Council and Assembly meetings and are given the opportunity to input by the Chair unless there is an objection from another Council Member. In addition to regular LDCF/SCCF Council Members, any GEF Council Member is eligible to participate in the LDCF/SCCF Council or to attend as an Observer. Other parties are also invited to attend LDCF/SCCF Council meetings without decision-making status – namely, GEF Partner Agencies, the Trustee, all GEF participant countries, UN conventions and the GEF-NGO Network.⁴¹

The GEF-NGO Network is a formal mechanism which includes over 600 accredited non-governmental organisations. Since 2008, the accreditation system for non-governmental organisations – then operated by the GEF Secretariat – was replaced by a membership system operated by the Network. The Network is overseen by an elected Central Focal Point and a Coordination Committee of Non-Governmental Organisation Focal Points from all global regions as well as representatives of indigenous peoples' organisations. The Network's objectives are to enhance the role of civil society in the GEF at all levels, including strategic input to GEF policy-making and programmes and involvement in projects and local capacity building.⁴²

The GEF-NGO Network is provided with a budget from the GEF which in 2013 amounted to US\$50,000. Although decision on procedures for management of financial resources as well as overall budget setting are taken by the Coordinating Committee, the funds made available to the Network are managed on behalf of the Network by either the organisation elected as the Central Focal Point or any one of the elected Regional Focal Points provided that they have sufficient proven experience in financial management and accountability. Regular reports and audits are provided for and presented annually at the GEF Council meeting.⁴³

Accountability as Individuals

The GEF-NGO Network has a Code of Conduct in place which has broad application not only to members of the Network but also to all those fulfilling any role in relation to the Network. This Code is comprehensive in that:

- It provides that all of those covered by the Code should maintain the integrity of the Network by avoiding conflicts of interest and any personal gain.
- It sets out a set of principles that should be adhered to, specifically for elected Focal Points. This includes demonstrating leadership, integrity and good judgment based on fairness, accountability, responsibility and transparency.
- It sets out what elected officials should avoid, including using their position or the Network's resources for personal or political gain, engaging in activities which will lead to a conflict between the Network's interests and the official's organisational or personal interests, and accepting an inappropriate financial interest in any network transaction – whether by way of compensation, commission, gifts or otherwise.
- It sets out sanctions which can be imposed if any organisation or individual violates the Code, including warnings, disciplinary actions and termination.
- It defines the disciplinary procedure, provides for clear timelines, provides for a right of response for the accused party, and requires a report on all complaints received and actions taken to address them at Coordination Committee meetings.⁴⁴ It also envisages that, if required, the Network may consider the appointment of an independent arbitrator to facilitate settlement of disputes.
- In addition to these rules, the Network has clear requirements relating to the management of resources allocated to the Network. Additional principles, such as that funds "must be managed in a completely transparent, ethically correct and appropriate manner at all times" and sanctions including the repayment of the funds in case of wilful breach of contract, are provided for here.

Key Findings and Recommendations

From the above discussion, the following finding is observed:

- Despite the size of the budget allocated to the GEF-NGO Network, Observer accountability within the GEF is extensively addressed.

There are no recommendations made here in terms of improvements. However, the Network should consider sharing its best practice in this area with other Funds in order to encourage more comprehensive provisions to encourage Observer accountability.

Local or Affected Stakeholders

Composition and Functions

Local or affected stakeholders of the Funds' projects are to be consulted prior to the approval stage. There does not appear to be any clear criteria for selecting or engaging with these stakeholders as this is left up to GEF Partner Agencies who follow their own procedures.

Accountability as Individuals

No policy provisions regarding the accountability of consulted stakeholders could be identified.

Key Findings and Recommendations

In sum, the following findings are observed:

- The role of stakeholders in contributing via consultations to project approval is highly important. However, no rules or safeguards are in place to ensure their ethical behaviour and the integrity of consultations processes. Measures to do so could help strengthen the credibility of these key processes.

To take a positive step forward, the **Council** should:

- Develop guiding principles to ensure the integrity of participation and conduct of consultation processes.

THE ASSESSMENT

In this section, the main findings of the assessment are set out under each of the three criteria. These findings elaborate both on good practices observed as well as areas requiring more attention. The specific elaboration of a best, middle and worst case scenario is reflected by the colour scale. This is elaborated in the *Global Climate Finance: A Governance Risk Assessment Toolkit* and summarized in Annex 1 to this report.

TRANSPARENCY

Summary

Overview of Transparency Performance for the Least Developed Countries Fund and the Special Climate Change Fund

TRANSPARENCY	PERFORMANCE
Indicator (1) : Policy Level Transparency Are there policy provisions in place for public access to information regarding the Fund's administration and operations including activities, outputs and decisions?	ABOVE AVERAGE
Indicator (2): Practice Level Transparency In practice, can members of the public obtain relevant and timely information on the Fund's policies, procedures, activities, outputs and decisions throughout the project cycle?	ABOVE AVERAGE

The Global Environment Facility's (GEF) Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF) are assessed above average regarding their policies and procedures to provide **access to information**. This is because policies and procedures do exist and are quite detailed but are wanting in a few critical areas, including unclear criteria for the exclusion of information from the general policy of full disclosure and the absence of clear timelines for the response to an appeal. Given their central role within the Funds, not enough exposure is given to the relevant policies of GEF Partner Agencies.

In terms of **transparency in practice**, the two Funds also perform above average. The Funds provide timely access to accurate, comprehensive and coherent information regarding projects, programmes and accreditation activities in line with their policies. A number of exemplary best practices have also been adopted, such as providing funding for Observer participation and a very active consultation with stakeholders. The performance, however, suffers from the fact that access to information on specific decisions taken by the GEF Chief Executive Officer and the LDCF/SCCF Council could be clearer. For example, no information on the particular scoring of applications is made available, meaning it is difficult for public Observers to understand the justification for decisions made, which reduces the transparency of the process.

It is also unclear whether information regarding activities, outputs and decisions during implementation is accessible to the public. The multiple-agency structure of the GEF makes this potentially complicated for Fund watchers, and transparency during implementation will depend heavily on the GEF Partner Agency

involved and the policies, procedures and practice of that particular Partner Agency. Regular reports to the Secretariat are not made available but are summarised and presented in one less detailed report. Furthermore, there is a general void of information regarding the anti-corruption safeguards and integrity management systems of key implementing actors who are most likely to encounter corruption risks.

Analysis

Indicator (1) : Policy Level Transparency

Are there policy provisions in place for public access to information regarding the Fund's administration and operations including activities, outputs and decisions?

This question was informed also by the following sub-questions: Do guidelines regarding public access to information/information disclosure exist? Do these guidelines cover both information conveyed through meetings and documentation? If yes, do these apply to all phases of the project cycle (appointment, accreditation, application, reporting, disbursement, management, implementation, monitoring and evaluation)? If yes, are there deadlines for making such information available? If yes, do the provisions allow for any exemptions of information disclosure and confidentiality? If so, to what extent are these exemptions justified? Are the exemptions weighed against the greater public interest and the right to know? Do the guidelines allow for an appeal procedure to request non-disclosed information?

In its first guidance to the entity entrusted with the operation of the LDCF and SCCF, the Conference of the Parties to the UNFCCC requested the operating entity “(t)o ensure transparency in all steps relating to the operation of the Fund.”⁴⁵ The GEF, which became this operating entity, has a Policy on Public Involvement which applies to the LDCF and SCCF.⁴⁶ Citing the Instrument establishing the GEF, the Policy, which applies to the GEF Secretariat, Trustee, GEF Partner Agencies, Recipient Countries and others participating in GEF-financed projects, stipulates that “all GEF-financed projects will ‘provide for full disclosure of non-confidential information, and consultation with, and participation as appropriate of, major groups and local communities throughout the project cycle’”. It adds that “there should be transparency in the preparation, conduct, reporting, and evaluation of public involvement activities in all projects”.⁴⁷ Although the Policy defines information dissemination as referring to “the availability and distribution of timely and relevant information on GEF-financed projects, including notification, disclosure, and public access to such information” and identifies it as an important process in public involvement, the rest of the Policy is silent on how access to information is to be assured.

Further details are, however, provided in a second document entitled *GEF Practices on Disclosure of Information*, which specifies there is a presumption in favour of disclosure of all information (prepared by the GEF Secretariat or received by the Secretariat from the GEF Partner Agencies, the GEF Evaluation Office, the Trustee, and Scientific and Technical Advisory Panel with regards to policies, projects, programmes and operations to service GEF business) unless there is a compelling reason for confidentiality.⁴⁸ The document describes which types of documents are made available by the GEF. It also lists the cases in which confidentiality or non-disclosure is permitted; “where disclosure could have a negative impact on the GEF, the implementation of its programs and projects, or more simply, could contrive the legal obligations pertaining to privacy or intellectual property, information is retained as confidential. Where there are such exceptions, justifications are provided”. The document further notes that GEF Partner Agencies have their own policies in place in terms of access to information and lists the relevant documents with a brief introduction to their contents.

The document also provides that information that is not readily available from the GEF's website or any other Partner Agency may also be requested in writing by e-mail, mail, or fax to the GEF Secretariat. It sets out who is responsible for processing those requests and notes that although requests should be made in English, the GEF will endeavour to be responsive to requests received in other languages. It further sets out an appeal procedure in case a requester believes that a request for information to the GEF Secretariat has been unjustly denied. Such complaint should be submitted to the GEF's Conflict Resolution Commissioner, who reports directly to the GEF Chief Executive Officer. No details, however, are provided on the timeline within which a response can be expected.

While the policy is clear in terms of what is disclosed, the policy falls short for a number of reasons:

- The phrasing used to elaborate information which might be excepted from the disclosure rule – “where disclosure could have a negative impact on the GEF, the implementation of its programs and projects, or more simply, could contrive the legal obligations pertaining to privacy or intellectual property” – is vague, leaving it open to interpretation which could chip away at the basic principle in favour of maximum disclosure.
- Although an appeals process is provided for, there is no indication given as to the time within which a response can be expected.
- In addition, the principle that “responsibility for assuring public involvement rests within the country, normally with the government, project executing agency or agencies, with the support of the GEF Partner Agencies” as contained within the Policy means that meeting principles of public involvement is dependent on the local context and institutions involved in each project. As noted above, given the variety of Partner Agencies and eligible governments, the transparency of activities, outputs and decisions within the LDCF can be expected to vary between countries and projects, which creates a risk that certain non-transparent hotspots will exist. These hotspots, or isolated cases of non-transparency, will be hard to identify systematically given the variety of countries and Partner Agencies that need to be assessed and “watched” to ensure the transparency of their actions.
- Although it does address access to information at implementation level within the Fund in its Policy documents, including setting out the policies applicable within the ten GEF Partner Agencies, this information is not easily accessible from the GEF’s website.

Indicator (2): Practice Level Transparency

In practice, can members of the public obtain relevant and timely information on the Fund’s policies, procedures, activities, outputs and decisions throughout the project cycle?

This question was informed also by the following sub-questions: Is this information available freely online or available on request; accurate and complete; coherent and understandable; timely and reliable as in required within a certain timeframe or by a specific deadline if one exists, or within a reasonable timeframe if no deadline exists; and regularly updated? If access to information provisions allow for confidentiality/non-disclosure of information, in practice, are these provisions interpreted and applied with good justification with regard to the greater public interest and the right to know?

In terms of transparency practice, both Funds perform relatively well. The GEF’s Policy on Public Involvement and the complementary document *GEF Practices on Disclosure of Information* (as set out in the previous section), apply to all stages of the project cycle, including activities, outputs and decisions during the funding, implementation, and monitoring and evaluation stages.

Meeting Openness and Participation: Council meetings are open to the participation of Observers and organised through the GEF-NGO Network. Executive sessions, however, are closed. Instructions on how to physically participate at a meeting as an Observer are simple. Information on decisions taken by the LDCF/SCCF Council is made publicly available indirectly via civil society organisation attendance at meetings themselves and more directly via the GEF Council meeting summary published online. These summaries do not include detailed minutes but provide a concise and accessible summary of questions and discussions; comments by Council Members are anonymised.

Accreditation: The GEF started off with a limited number of GEF Partner Agencies and is currently in the process of extending this to additional entities. This process is clearly outlined and regular updates are given through Council meetings and update documents from the Secretariat and Accreditation Panel. The reports include information on the accreditation or rejection recommendations as well as the current state of play and next steps.⁴⁹

Proposal Submission and Selection: Clear instructions are provided for interested countries as to how to submit a proposal including proposal submission materials and review criteria.⁵⁰ Information on actual decisions and the justification for decisions is discussed at LDCF/SCCF Council meetings which are

summarised regularly on the GEF's website. There is a standard agenda item at the biannual Council meetings for Council Members to raise issues related to the project recommendations. However, no information on the particular scoring of applications is proactively made available outside of this context. Although GEF Secretariat staff are required to inform rejected applications as to why their proposal was not sufficient to warrant approval as well as to suggest ways in which these deficiencies can be addressed, it is unclear how easily the public might access this information. For these reasons, it is, therefore, difficult for public Observers to understand the justification for decisions made, which reduces the transparency of the process.

Another area of proposal submission which poses challenges takes place at the national level. Project Proponents must secure the endorsement of the GEF Operational Focal Point in their country and can request the support of the most relevant GEF Partner Agency, but it is unclear whether any "filtering" occurs at this point (that is, whether Project Proponents are rejected) and, if so, whether any information is publicly available on why the Focal Point did or did not endorse the project. It is expected, however, that civil society can raise issues during the one annual meeting the Focal Point is required to hold with civil society in the country.

Project Implementation: In practice, it is unclear whether information regarding activities, outputs and decisions during implementation is accessible to the public. The multiple-agency structure of the GEF and its Funds makes this potentially complicated for Fund watchers, and transparency during implementation will depend heavily on the GEF Partner Agencies involved and the policies, procedures and practice of that particular Partner Agency, albeit guided by the overarching principles of the GEF Policy on Public Involvement. It will also depend on the Project Proponents, which could be a government ministry or non-governmental body. Depending on the country, the ministry may have high standards of transparency, but standards are likely to vary – increasing the potential for corruption risks or unaccountable decision-making. Transparency may also be weak for decisions and actions taken by non-governmental bodies who do not have public disclosure obligations.

At Fund level, there is a public "GEF Data Mapping Portal" available which draws on information provided by GEF Partner Agencies in their regular project implementation reports. These reports themselves, however, do not seem to be available through the GEF's website. The Annual Monitoring Review only presents general figures about the programmes and projects under implementation by each Partner Agency, but it does not present individual information.⁵¹

Finance: Information on funding approvals, commitments and cash transfers (disbursements from the Trustee to the GEF Partner Agencies) under both the LDCF and the SCCF are made available on the GEF website within the regular *Status Report on the Special Climate Change Fund and Least Developed Countries Fund* prepared by the Trustee and also in the *Status on LDCF Approvals, Pledges, and Disbursements*.⁵² This information is reported in cumulative totals by GEF Partner Agencies rather than by project, which makes it difficult to assess individual projects.

Governance – Accountability and Integrity: As explained elsewhere in this report, information regarding fiduciary and anti-corruption safeguards of GEF Partner Agencies is not easily accessible and is often not clear. The accountability between actors – in particular, who is accountable to whom and on what terms in cases of corruption or fraud – remains obscure. Information disclosure on these matters is fundamental for the greater public interest.

Monitoring and Evaluation: The overall LDCF/SCCF monitoring and evaluation framework is accessible to the public via the GEF's website.⁵³ Evaluations are required at two levels. At the Fund level, the Evaluation Office is responsible for portfolio evaluations based on a number of projects from different GEF Partner Agencies. Terminal evaluations are also required to be conducted by the responsible Partner Agency and mid-term for larger scale projects. The monitoring and evaluation framework further includes principles on independence, impartiality, transparency, disclosure, ethics, partnerships, competencies and capacities, credibility, and utility to be followed in the carrying out of these evaluations. It also contains three minimum requirements which, among other things, require basic data on actual GEF and other expenditures to be included. All final evaluations should be fully disclosed to relevant policy-makers,

operational staff, beneficiaries and the public in general. However, a review of LDCF and SCCF documentation through the GEF Data Mapping Portal, shows that information on such completed evaluations is not consistently made available. Evaluations carried out by the Evaluation Office are, however, made available through the relevant Fund's website.

ACCOUNTABILITY

Summary

Overview of Accountability Performance for the Least Developed Countries Fund and Special Climate Change Fund

ACCOUNTABILITY	PERFORMANCE
Indicator (1): Financial Reporting and Audits Does the Fund have effective financial reporting guidelines in place? Are the activities of relevant organisational decision-making body subject to audits?	ABOVE AVERAGE
Indicator (2): Accountability (Answerability) Mechanisms Are the Fund's decisions governed by clear and effective accountability mechanisms?	BELOW AVERAGE
Indicator (3): Whistleblower Protection Throughout the Fund's project cycle, are there provisions for effective, independent and enforceable whistleblower protection for any Fund-related executive members, employees, contractors, subcontractors, and consultants who would expose any wrongdoing in any Fund-related action?	AVERAGE
Indicator (4): Complaints and Investigation Mechanisms Are there independent and effective mechanisms in place to register and investigate complaints about corruption or fraud?	AVERAGE
Indicator (5): Sanctions Are there effective policies and procedures in place to penalise corruption and fraud?	AVERAGE
Indicator (6): Civil Society Consultation Is the Fund required to consult with civil society throughout the project cycle?	ABOVE AVERAGE
Indicator (7): Observer Participation Do independent civil society actors participate meaningfully in the proceedings of the Fund?	STRONG

The GEF has made and is continuing to make efforts to put in place mechanisms to ensure accountability throughout its operations – mechanisms which also apply to both the LDCF and SCCF. As can be seen from the performance scores above, while provisions on financial reporting and stakeholder consultation and participation are generally strong, many of the Fund's other provisions to facilitate accountability need some more work. There is, therefore, still some ground for the Fund to cover before it can achieve more consistent high scores for accountability.

On **financial matters**, the Funds performed above average. Although clear guidelines exist, some gaps remain. These include at GEF Partner Agency level as well as at Fund level where there is a lack of clarity around the auditing of Fund level financial statements in terms of timing and availability of completed audits.

On having a clear and effective **appeals mechanism**, the Funds perform below average. Although there are often very detailed criteria set out to guide decisions and consultations conducted pre-decision, appeals procedures are not in place. If the Conflict Resolution Commissioner is expected to play a role in this regard, it is not clearly set out. Furthermore, the lack of clarity around the decision-making of Operational Focal Points lowered the score.

The Funds performed average in terms of their **protection of whistleblowers**. Even though such rules are required of GEF Partner Agencies through the accreditation process and are already in place for Secretariat and Trustee staff as World Bank contract holders – it was not evident what real protection is afforded to whistleblowers throughout Fund operations, particularly downstream where corruption is more likely to happen. The applicable rules must be clarified.

In assessing the Funds' self-investigatory functions, both the complaints and the sanctions mechanisms were reviewed. The Funds performed average on both elements. On **complaints mechanisms**, Transparency International's inquiry identified a policy to require a complaints registry and investigation procedure by GEF Partner Agencies as well as a Conflict Resolution Commissioner at Fund level. However, there is not sufficient clarity on the role of this Conflict Resolution Commissioner nor sufficient publication of complaints handled and resolved. In addition, the role is not an investigatory one and this role is fully delegated to Partner Agencies. Their policies are not made available via the GEF's website. Further, their applicability to other downstream actors is not elaborated. Likewise, regarding **sanctions**, the Fund needs a more consistent and clear policy level approach to penalising wrongdoing at all levels of its operations. Again, while Transparency International's assessment shows that many Partner Agencies have clear and comprehensive sanctioning procedures, the Fund itself has not demonstrated how and to what extent sanctions are required, existing, applied and enforced by its accredited actors. Given the strong deterring impact sanctions have to safeguard against corruption and fraud, the Fund can do much more to develop and demonstrate its disciplinary capacities.

On **civil society consultation processes**, the Funds performed above average. The extent to which consultation translates into meaningful participation within LDCF and SCCF-funded activities depends to large extent on the Partner Agency and the country context for each activity. There is little detailed guidance to assist Partner Agencies nor is there adequate information consistently provided on processes actually followed.

The Funds performed strongly on **stakeholder participation**. Provisions are made to facilitate civil society actors to participate in key decision-making stages at the Fund level.

Analysis

Indicator (1): Financial Reporting and Audits

Does the Fund have effective financial reporting guidelines in place? Are the activities of relevant organisational decision-making body subject to audits?

Guiding questions for this indicator included: Is the Fund required to submit financial reports? If so, how often? What types of expenditure are required to be documented in these reports? Are there mechanisms in place to vet the validity of any financial reports? In practice, are there examples of inadequate or fraudulent financial reports being filed from the Fund? How often are audits required to be conducted? What activities do these audits cover? Are they performed by internal auditing bodies or external agencies? Are the results of audits available to the public?

All LDCF and SCCF projects are required to follow the GEF minimum fiduciary standards for Implementing and Executing Agencies, which are consistent with international standards and best practice.⁵⁴ The standards were prepared by the Funds' Trustee in consultation with the GEF Partner Agencies. From a financial perspective, the standards cover the requirement for an independent external financial audit; financial management and control frameworks – a risk-based process designed to provide reasonable assurance and feedback to management regarding the achievement of objectives in three categories of: (1) effectiveness and efficiency of operations, (2) reliability of financial reporting and

financial management frameworks, and (3) compliance with applicable policies and procedures; and financial disclosure (the process surrounding mandatory financial disclosures of possible or apparent conflicts of interest by identified parties).

The GEF Partner Agencies are assessed for their compliance with these minimum fiduciary standards and are subject to regular audits. A recent review of compliance of implementing entities with the GEF fiduciary standards showed three entities still needing to do further work in order to comply. Missing elements fall under the categories of external audit (Food and Agriculture Organization and UN Environment Programme) and financial disclosure (UN Environment Programme).⁵⁵ No information about audits of the financial statements of the LDCF could be found, although the GEF publishes such statements for its other Trust Funds. No explanation for this could be found. While an audited statement of the SCCF could be found online, it is unclear from publically available information how often such audits are conducted.⁵⁶

Indicator (2): Accountability (Answerability) Mechanisms

Are the Fund's decisions governed by clear and effective accountability mechanisms?

Guiding questions for this indicator included, inter alia: Is the Fund required to explain its decisions to relevant external actors? Are the decisions of the Fund subject to timely and enforceable review? Are explanations of decisions provided to applicants in a predictable and timely fashion? Are there provisions in place detailing the procedures for affected parties to appeal contested decisions made by the Fund? Are those procedures publically available? In practice, how often are appeals to review decisions granted?

In all instances, the GEF Secretariat carries out an initial review and can return proposals to the GEF Partner Agency with a clear indication of the reasons that have prevented the project from being recommended to the Council and with suggestions for ways in which these deficiencies can be addressed.⁵⁷ The Secretariat can also reject ineligible proposals outright. There does not appear to be a formal appeal process for unsuccessful applicants, although this could potentially fall within the remit of the Conflict Resolution Commissioner. The Secretariat is required to explain its recommendations to the Council who is able to raise concerns and ask for explanations. This is the only accountability channel for the recommendations made by the Secretariat. The Secretariat is, therefore, only indirectly accountable to civil society (and thereby the wider public) who can attend Council meetings only as Observers. Alternatively, decisions can be analysed via the publicly available summary note from each Council meeting on the GEF's website, but in general these do not cover the details of decisions or recommendations made by the Secretariat.

Both the LDCF/SCCF Council (in the case of full-sized projects) and the GEF Chief Executive Officer (in the case of medium-sized projects) have the power to decide on the approval or rejection of projects as well as the suspension and cancellation of them. Fund documentation sets out detailed procedures for the circumstances under which this can happen, the criteria to be applied and the process to be followed, including informing and seeking comments from affected parties.⁵⁸ In addition, the beneficiary country, the Partner Agency and the Secretariat may recommend cancellation, termination or suspension based on criteria approved by the Council. While the procedures imply that affected parties have the opportunity to challenge the cancellation, no appeals policy is expressly stated.

Decisions on accreditation and suspension are also made by the Council together with the Accreditation Panel which is constituted by the Council. While detailed documents are available setting out the accreditation process and noting that unsuccessful parties should be given enough information to explain their failure, once again, no specific appeals procedure is set out.⁵⁹ In both cases, it is possible that the Conflict Resolution Commissioner would play a role, although this is unclear from information available on this function. Due to the absence of reporting from this function, it is also unclear to what extent complaints are satisfactorily resolved. Suspension is not yet clearly regulated and, to date, no suspension has taken place. Were a process on suspension to be developed, appeals should also be provided for.

Focal Points can serve as a “filter” because their endorsement is needed to submit projects to the LDCF and SCCF. In effect, they have a veto on LDCF/SCCF applications. While this is considered a positive feature because it ensures that projects align with national strategies and priorities, there are no clear criteria on how a Focal Point should be held accountable for decisions to endorse or refuse proposals. There are no guidelines on how Focal Points should interact with or consult civil society within the country when deciding whether or not to endorse proposals, other than the general requirements for public participation and consultation during the project inception and proposal stage (as laid out in the GEF Policy on Public Involvement). There is a requirement, however, for an annual consultation with civil society from the GEF-NGO Network, which could serve to an extent as an accountability forum. Civil society organisations have reported very different experiences when dealing with national GEF Focal Points – from positive to negative and obstructive.⁶⁰ In the absence of specific guidance to the contrary, Focal Points are, therefore, only accountable to their internal ministry. If in practice they tend to filter the type of projects that are endorsed without disclosing the criteria and rationale behind decisions, this would represent a potential weakness in the transparent governance of the Fund at national level. In the worst case, unaccountable Focal Points may act as agents of powerful ministries or interest groups when deciding which LDCF or SCCF funded projects to endorse. There is currently no evidence of this taking place.

Indicator (3): Whistleblower Protection

Are there effective, independent and enforceable mechanisms to handle whistleblowing or the exposure of wrongdoing by employees, contractors, subcontractors and consultants?

Guiding questions for this indicator included, inter alia: Is there any official policy or system for whistleblowing or the exposure of wrongdoing? How is the policy or system enforced? What are the procedures for handling disclosures from whistleblowers and other types of reports of wrongdoing? Are whistleblowers protected from termination, harassment or other forms of reprisals? Have whistleblowers faced adverse consequences for their actions? If so, please describe. What types of compensation or relief are available for whistleblowers who have been retaliated against? Have any whistleblowers been compensated for retaliation? Have employees, contractors and subcontractors, among others, reported wrongdoing? If so, what were the results of the disclosures? Please describe.

Both confidentiality and whistleblower protection are key safety assurances for people who see and report wrongdoing. However, the GEF itself does not have a whistleblower protection policy. Therefore, the protection of witnesses or victims of corruption within the LDCF and SCCF and the projects falling under these Funds relies on the institutional policies of the staff member who reports an alleged case.

As World Bank employees, the Fund’s Secretariat and the Trustee are covered by the whistleblower protections extended to World Bank employees.⁶¹ These rules encourage staff to report wrongdoing concerning other World Bank staff, employees or any other actor associated with World Bank projects. So long as the wrongdoing fits within these boundaries, LDCF/SCCF Secretariat and Trustee staff would be protected. The rules also forbid reprisals against staff reporting misconduct. If a staff member believes he or she has been retaliated against, they “may seek relief”⁶², while the staff member engaging in retaliation will be subject to disciplinary proceedings.⁶³

As GEF Partner Agencies take the lead for project implementation and monitoring and evaluation, they are perhaps most likely to be the bodies in which whistleblowing occurs. The GEF does require that the Partner Agencies have policies in place to provide for whistleblower protection.⁶⁴ It further provides some guidelines in terms of the content of those policies: it should specify who is protected and what disclosures are protected; what protection is offered from retaliation; provision for anonymity; and periodic review to determine whether policies are in line with best international practice. As reported by the GEF, the Partner Agencies have generally complied with the requirements for whistleblowing policies outlined in the GEF’s minimum fiduciary standards, although some cases of non-compliance were reported in the past.⁶⁵ Notwithstanding, this information is not readily accessible through the GEF’s website. Ideally, the website would have a summary of the whistleblower protection policies of Partner Agencies and links to each Partner Agencies’ online resources.

When it comes to Executing Entities and other downstream contractors, including consultants, it becomes increasingly less clear what protection any of their staff would enjoy if they were to report a case of corruption. In addition, it is unclear what protection could be afforded and by whom, in particular for any Council Member, National Focal Point, or any other national or local public official who would report a case of corruption or fraud. Presumably, the appropriate government agency of which the Council Member is an employee would provide protection. Much more clarity is first needed through the GEF itself on what these policies are and how and for whom they are applied. Identifying any significant gaps can help build a more comprehensive anti-corruption remedial system within the Funds.

Indicator (4): Complaints and Investigation Mechanisms

Are there effective mechanisms in place to register and investigate complaints about corruption and fraud at all level of the Fund?

Guiding questions for this indicator included, inter alia: Are their explicit procedures for how external actors can lodge complaints against the Fund? Are those procedures publically available? Is there a dedicated body within the Fund body to handle complaints? Is the Fund required to respond to complaints? In practice, how often does the Fund respond to complaints about its activities or actions?

In 2007, the GEF established the position of Conflict Resolution Commissioner who reports directly to the GEF Chief Executive Officer. In this role, the incumbent “works directly with member countries and GEF Agencies to help resolve disputes and address complaints”.⁶⁶ One objective of putting this role in place is to “expand feedback and interject a more timely response to conflicts and complaints on GEF-funded projects... [and] to help enhance trust and confidence in the GEF system”.⁶⁷ Complaints that can be dealt with are listed as those arising “from a contract dispute, lack of communication, the perception of wrongdoing, or genuine concerns”. Importantly, it is pointed out that the services provided at the Secretariat level are intended to complement efforts already undertaken at the level of individual GEF Partner Agencies as well as to deal with other matters outside of the scope of the work of these Partner Agencies. Further development of the function is envisaged.

To submit a complaint, one simply needs to write an e-mail to the GEF Chief Executive Officer or directly to the Conflict Resolution Commissioner.⁶⁸ While facile, the procedure is absent of any further information regarding anonymity, confidentiality, content and evidence, types and time period of responses, effective remedies or sanctions, whistleblower protection, and rules on abuse of the mechanism. This information normally is required and supportive of a complaints mechanism. Very little information on the number or type of complaints received or information on resolution is available in the *Annual Monitoring Review*.⁶⁹

While the Conflict Resolution Commissioner position has been established, the GEF has yet to empower that role or any other body with investigatory functions. The Conflict Resolution Commissioner’s role is mostly to manage and solve conflicts between actors, rather than to deal substantially with the content of disputes.⁷⁰ Rather, the GEF’s policy or practice has been to delegate the investigation of complaints concerning project implementation to its Partner Agencies. As part of its fiduciary standards it requires Partner Agencies to have an investigation function which “provides for independent, objective investigation of allegations of fraudulent and corrupt practices (using widely recognized definitions such as those agreed by the International Financial Institutions Anti-Corruption Task Force) in agency operations, and of allegations of possible agency staff misconduct”.⁷¹ It further provides that this investigations function should have a publicly available terms of reference that outlines the purpose, authority, and accountability of the function. In order to ensure functional independence, the investigations function should be headed by an officer who reports to a level of the organisation that allows the investigation function to fulfil its responsibilities objectively. The investigations function should have published guidelines for processing cases, including standardised procedures for handling complaints received by the function and managing cases before, during and after the investigation process. Finally, the investigations function should have a defined process for periodically reporting case trends which, for enhanced accountability and transparency, should, to the extent possible, be made available to senior management and relevant business functions. Disclosure seems therefore to be internal and not public. It should be disclosed publicly. It provides a fundamental integrity assurance of climate change work. In very practical terms, non-disclosure has a debilitating impact on the effectiveness of such functions.

Some concerns with the current arrangements of delegation of complaints and investigation procedures to GEF Partner Agencies remain. While the information on the Conflict Resolution Commissioner is available on the GEF's website, no information on the complaints or investigatory mechanisms of the Partner Agencies is available there. Accredited Entities should be required to provide this information more substantially. At minimum, a summary of the policies and procedure regarding complaints and investigations by the Implementing Entities should be available in an easy-to-access and understandable format.

Further, in cases where the implementation of projects involves more than one actor, there is a need for clarity at the project level on which organisation's complaints mechanism is designated to address complaints and/or how multiple complaints mechanisms are coordinated. For example, where Executing Entities and other third parties or contractors are involved, the scope of the GEF Partner Agency's complaints mechanism in relation to those actors needs to be clarified. It is not self-evident whether the Partner Agencies themselves would require that their contractors also have self-investigatory functions, thereby delegating this function to downstream actors. It is also not clear what rules are applicable to other national actors, such as the GEF Focal Points. This information should be made available and included in project websites operated by the GEF, Partner Agencies and other actors having a significant share in the project.

At the executive level of the Funds, a mechanism to handle complaints of LDCF/SCCF Secretariat staff, Trustee staff and the Council – in relation to their specific functions – does not exist. However, being contractually World Bank staff, the Secretariat and the Trustee fall under the World Bank's own investigatory function. The relevant rules are contained in the World Bank's Staff Manual.⁷² These rules encourage staff to report wrongdoing. After such a report, a review is conducted by the World Bank's Integrity Vice Presidency.⁷³ These rules encourage staff to report wrongdoing concerning other World Bank staff, employees or any other actor associated with World Bank projects. So long as the wrongdoing fits within these boundaries, complaints by and of LDCF/SCCF Secretariat and Trustee staff would be taken on and investigated by the Integrity Vice Presidency.

It is unclear who fulfils the investigatory function for the Council. If a complaint or allegation of a conflict of interest about a Council Member were to be communicated to the Council, it is not clear who would be responsible to investigate and determine what appropriate action should be taken.

The overall effectiveness of the GEF's complaints and investigatory functions has not been assessed to date. Clearly, there are important informational gaps which impact on the effectiveness of complaints mechanisms in any context and these need to be dealt with.

Indicator (5): Sanctions

Are there effective policies and procedures in place to penalise corruption and fraud?

Guiding questions included, inter alia: Does the Fund have policies and procedures which require sanctions or punishments for corrupt or fraudulent behaviour or activity be imposed and enforced at all levels of the Fund and throughout the project cycle? What is the scope of the policy coverage? If a policy exists, to what extent has it been applied? Does the policy require that sanctions are determined in a fair and independent manner? Does the policy allow for an appeals process? Is information on these policies and about sanctions imposed publicly available?

Although the GEF has some policies regarding penalties and sanctions for Fund actors and associated individuals engaging in corrupt behaviour, some significant gaps remain.

Council Members: In the same way that an investigative procedure for the Council is absent, it is further not clear what sanctions would apply to a Council Member who acts improperly. No reference could be found to the potential for termination of Council membership. Further sanctions beyond the removal from position within the Council would ultimately be in the hands of the individual country from which the Council Member comes or in any other relevant legal jurisdiction should the conflict of interest be connected with an act of corruption where an arguable jurisdictional claim exists.

As explained previously, the employees of the **LDCF/SCCF Secretariat** and the **Trustee** are employees of the World Bank and, as such, are under its policies and subject to its internal investigation and sanctioning procedures for corrupt behaviour. If, following an investigation of the World Bank's Integrity Vice Presidency,⁷⁴ a staff member is determined to have acted corruptly in violation of the World Bank's Code of Conduct,⁷⁵ then internally any employee faces consequences including loss of employment, forfeiture of salary for a period of time and indefinite illegibility of employment with the World Bank Group. If the corrupt action counts as a crime, the World Bank also refers cases to law enforcement officials.

GEF Partner Agencies: As introduced above, the GEF has twelve existing Partner Agencies and is in the process of accrediting further project partners to implement, monitor and report on projects and/or programmes approved by the GEF Chief Executive Officer and Council.

In cases where the Partner Agency itself is suspected of fund mismanagement by the Trustee – and this is verified through an external audit – there are currently no rules in place for recovery of those funds or other punishment other than the provision that the Trustee can withhold further payments. It has been recently recommended that alterations be undertaken to the Financial Procedures Agreements to allow the Council to suspend the project altogether and to prevent the Partner Agency from receiving any further project approvals until misused funds are returned.⁷⁶ It is unclear whether these changes have been implemented.⁷⁷ There is no reference in either Financial Procedures Agreements or Memoranda of Understanding⁷⁸ of what happens in other cases of corruption or fraud. There is a reference to disputes being referred to the Council for resolution, although options in terms of penalties are not set out. From available information there appears to have been discussion of the Council's right to suspend accreditation, but there is no procedure for suspension of Partner Agencies in place.⁷⁹

As explained above, Partner Agencies are expected, as part of the fiduciary requirements, to have in place a range of standards to ensure financial integrity and management capacity, ethics, project cycle safeguards, and relevant investigative and hotline functions. The meeting of these fiduciary standards is overseen by the Council and is subject to periodic monitoring. In fact, Partner Agencies bear the primary fiduciary responsibility to investigate any mismanagement of funds or corruption complaint. Any such complaint received by the Conflict Resolution Commissioner in the context of project implementation will be shared with the Chief Executive Officer and the Partner Agency in question. The Conflict Resolution Commissioner will then work with the Partner Agency to activate its own internal mechanisms. However, it is important to note that while Partner Agencies are required to have effective policies in place, they are not required to make reports to the Council on the misuse of funds and their recovery.

Regarding what policies **GEF Partner Agencies** actually have in place, the information available on their websites is generally comprehensive in terms of what sanctions and enforcement measures they would apply toward Executing Entities or other third parties. The policies of the World Bank or UN Development Programme suggest that their contractors should also demonstrate a reasonable level of fiduciary and anti-corruption safeguards. The type of sanctions which can be taken against contractors/vendors for corruption or fraud include:

- Rejection of a proposal for award of contract to a respondent in respect of a procurement of goods, works or services.
- Cancellation of a portion of Bank finance allocated to a respondent but not yet disbursed in respect of a contract for the procurement of goods, works or services.
- The respondent receives a formal "Letter of Reprimand".
- The respondent is declared ineligible or debarred, either indefinitely or for a stated period of time, to become a Bank counterparty in any new Bank project.
- The respondent is required to comply, within stated time periods, with certain remedial, preventative or other measures as a condition to avoid debarment (conditional non-debarment). In the event the respondent fails to demonstrate its compliance with the prescribed conditions within the time periods established, a debarment would automatically become effective for a period of time.
- The respondent is declared ineligible for a stated period of time subject to conditional reinstatement pursuant to which the period of debarment is reduced or terminated if the respondent demonstrates compliance with specified conditions such as the introduction

and/or implementation of corporate compliance or ethics programmes (debarment with conditional release).

- The respondent is ordered to make restitution of diverted funds to any other party.⁸⁰

The World Bank and its Group⁸¹, the Inter-American Development Bank⁸², the African Development Bank Group⁸³ and the Asian Development Bank⁸⁴ employ all sanctions expect for the first two listed above. However, as the specific contractual terms regarding sanctions between GEF Partner Agencies and third parties are not disclosed, this makes it difficult to understand concretely the scope and impact of such sanctions. Further, there is generally the recognition that cases could be handed over to local legal authorities but under what conditions or circumstances this would occur are not stipulated and, in some cases, waivers of immunities and privileges may come into play.

Anti-corruption policies including any applicable sanctions of the two new additions – World Wildlife Fund-US and Conservation International are not readily available through their websites.

Project Proponents: As introduced above, Project Proponents actually carry out projects supported by the Funds under the oversight of GEF Partner Agencies. Corruption within or by Project Proponents can result in the Trustee recommending to the Council to suspend transfer of funds to a Partner Agency. Therefore, it is likely that the Project Proponents have some contractual obligations to ensure anti-corruption and liabilities toward the Partner Agency if and when corruption happens. However, as those contractual arrangements are not accessible, what these terms are and if they include sanctions or penalties is not clear.

GEF Focal Points: If the individual acting as GEF Focal Point acts corruptly, she or he is accountable under the national rules, processes and procedures that are applicable to the country's public administration. It is not possible to understand through looking at GEF documentation alone what the administrative, criminal or civil sanctions applicable to each and every Focal Point are. Given the power invested in Focal Points to endorse projects or programmes, greater clarity on rules applicable to them are expected.

Observers: Although they have no decision-making power, the integrity of Observers should also be considered. Observer accreditation is managed through the GEF-NGO Network since 2008. All those seeking membership must agree to adhere to the rules and procedures of the Network. They also must abide by the Code of Conduct. These rules are comprehensive, as discussed above.

Indicator (6): Civil Society Consultation

Is the Fund required to consult with civil society throughout the project cycle?

Guiding questions included, inter alia: Are there policies in place requiring the Fund to actively consult with civil society regarding their decisions or actions? Are there clearly stated and enforced penalties for failures to consult with civil society? In practice, how extensive are consultations between the Fund and civil society? In practice, to what extent are civil society recommendations acted upon?

At the global level, the LDCF and SCCF have a formal mechanism for consulting annually with civil society via the GEF-NGO Network. The GEF-NGO Consultation is a meeting attended by non-governmental organisations and other representatives of civil society and the GEF Secretariat together with the Implementing and Executing Partner Agencies. Council Members are also invited to attend. Civil society participants voice concerns, comment on policies and projects, and present positions on substantive issues. In this way, the Network, therefore, has the potential to indirectly influence the strategic development of the Funds and to apply indirect influence on specific decisions or trends through the regular briefings and discussions with the GEF Chief Executive Officer. A further avenue for consultation is the Expanded Constituency Workshop, which aims at keeping the GEF National Focal Points, Convention Focal Points and other key stakeholders, including civil society, abreast of GEF strategies, policies and procedures as well as to encourage coordination.

The GEF Policy on Public Involvement also requires that the public, including civil society organisations, are consulted throughout the project cycle: “All GEF-financed projects will ‘provide for full disclosure of non-confidential information, and consultation with, and participation as appropriate of, major groups and local communities throughout the project cycle’”.⁸⁵ This spirit is also reflected in the guiding principles of the Policy, for example, “public involvement activities will be carried out in a transparent and open manner. All GEF financed projects should have full documentation of public involvement”⁸⁶ and they should also set out a stakeholder engagement plan as part of their application. Operational Focal Points should also host at least one yearly meeting with the members of GEF-NGO Network in their country.⁸⁷

What this means in practice is that local and, in some cases, international non-governmental organisations and broader civil society – as potential participants and stakeholders in specific projects – should be consulted during the proposal preparation phase and during the project cycle. This is, however, dependent on the Project Proponent and the GEF Partner Agency following the GEF fiduciary standards principles and their own participation or consultation principles. Information available online on the extent of such consultations is limited – many links to project documents are broken and one makes reference to further information contained in annexes which are not made available.⁸⁸ While the Policy on Public Involvement was recently revised, it has been criticised by the GEF-NGO Network, which have called for more specific guidelines in the Policy on how issues raised by civil society can be dealt with and incorporated at specific stages in the project cycle.⁸⁹

Apart from the need to update the Policy on Public Involvement as recommended by the GEF-NGO Network, a few other weaknesses remain. It is, for example, unclear what happens in the case of non-compliance with consultation requirements. A consultative process around the accreditation of GEF Partner Agencies does not appear to exist – in the documentation setting out a clear process for the accreditation of new Partner Agencies, there is no requirement for consultation.⁹⁰ This becomes particularly important as national entities are considered, as national non-governmental organisations have knowledge on the performance of national institutions including their areas of weakness in terms of the fiduciary standards. Furthermore, from the project and programme proposals, it is difficult to assess how extensive the consultations between the Proponents and civil society have been.

Indicator (7): Observer Participation

Are there policies and procedures to enable independent civil society actors to participate meaningfully in the proceedings of the Fund?

Guiding questions for this indicator include, inter alia: Are members of civil society allowed to participate in meetings? If so, is that role primarily participatory or observational? In practice, are members of civil society allowed meaningful access to Fund proceedings? Which civil society actors regularly participate? How are they selected? Do they have ties to appointed members?

As noted above, civil society members who attend Council meetings are accredited through the GEF-NGO Network according to its clear criteria and application process. The Council agreed that the GEF Chief Executive Officer shall invite five non-governmental organisation representatives to attend the Council meetings (except executive sessions), and five non-governmental organisation representatives to observe Council discussions in an over-flow room. Selection is based on five criteria: non-governmental organisations should be accredited to the GEF; there should be a broad-based geographic representation; the agenda for the Council meeting should be taken into account and organisations with relevant competence should be selected; a wide representation of views and expertise should be reflected; a balance among international, national and local representation and past attendance of non-governmental organisations at Council meetings should be considered; and rotation among non-governmental organisations should be sought.⁹¹ Council documents are made available online six to eight weeks before the meeting. There is also funding made available by the GEF for civil society from developing countries to attend Council meetings.

Civil society organisations are able to participate in LDCF/SCCF Council meetings – but as Observers rather than decision-makers. In GEF Council meetings, non-governmental organisations can make interventions as Observers. The same non-governmental organisation representative that has been

selected to present an intervention during the Consultation prior to the Council meeting will also be responsible for presenting the intervention during the Council meeting. Although they are to be consulted and provided with all non-confidential information throughout the project cycle, their role in actual decision-making, unless they are a Project Proponent or participant, is limited to observation and indirect influence. It is unclear to what extent civil society organisations' comments and recommendations are subsequently acted upon in practice.

As the GEF Policy on Public Involvement makes clear, "(r)esponsibility for assuring public involvement rests within the country, normally with the government, project agency or agencies, with the support of the GEF Partner Agencies".⁹² Country and Partner Agencies are also advised to develop their own guidelines for public participation in GEF-funded projects (including the LDCF and SCCF) and to ring-fence budget to allow for and facilitate civil society and wider public participation in projects. The level of participation and influence exerted by civil society is, therefore, dependent on the local political and institutional context and the implementation of participation and involvement principles by relevant Implementing or Executing Agencies. This challenge has been recognised by the GEF itself, who noted that individual public involvement policies would be made available through the GEF's website.⁹³

INTEGRITY

Summary

Overview of Integrity Performance for the Least Developed Countries Fund and Special Climate Change Fund

INTEGRITY	PERFORMANCE
Indicator (1): Anti-Corruption Rules Are appointed members and technical staff subject to effective conflict of interest policies and codes of conduct warding against corrupt or fraudulent behaviour?	AVERAGE
Indicator (2): Integrity Screenings Are appointed members and technical staff subject to integrity screenings or background checks prior to employment?	AVERAGE
Indicator (3): Integrity Training Are appointed members and technical staff trained on issues of integrity?	AVERAGE

The results under integrity indicate that greater clarity is needed on the Funds' integrity policies and practice. With the exception of the policies of the World Bank, which govern GEF Secretariat and Trustee staff, the Funds' overall performance on integrity is worrisome as it signals low prioritisation of ethical behaviour.

On conflict of interest policies and codes of conduct warding against corrupt and fraudulent behaviour, the Funds' performance was average. This is because, despite the fact that Secretariat and Trustee staff are covered by World Bank rules and the GEF-NGO Network has a policy in place, policies in place to ensure non-corrupt behaviour on the part of other actors exercising decision-making power and influence – starting first at the Council itself – are absent. Greater assurances, either in terms of policy or availability of information, must be made.

On integrity screenings, the Funds also performed average. This is because the GEF does not have a policy requiring a demonstration of past ethical behaviour and a personal commitment to integrity for Council membership or Fund employment. No documentation could be found as to whether integrity screenings are actually conducted. However, the World Bank's policy to conduct integrity screenings affecting its employees at the Secretariat and the Trustee was also weighed as was GEF Partner Agency policies on integrity screenings. Improvements are needed to develop and apply integrity criteria for individuals with key roles within the Funds. This is important because they provide institutional assurances on the integrity profile demonstrated by individuals and aid in avoiding reputational impacts.

On integrity trainings, the Funds also register average performance. This is because, despite World Bank rules applying to some relevant actors, there are no visible requirements, commitments or action to ensure capacity building on integrity throughout the Funds' operations – even for project and programme delivery, and there is no visible effort to demonstrate that such training is not required.

Analysis

Indicator (1): Anti-Corruption Rules

Does the Fund have a policy and respective guidelines which require actors who are engaged with or exert influence over Fund decision-making processes to be bound by an *effective* code of conduct which requires ethical, anti-corrupt behaviour and prohibits corrupt or fraudulent behaviour including conflicts of interest?

Guiding questions for this indicator included, inter alia: Are there comprehensive codes of conduct written into the guiding documents for the Fund? Are those documents publically available? If they do exist, how are existing codes of conduct enforced? In practice, do appointed members and technical staff comport themselves according to widely accepted standards of professional conduct? What, if any, sanctions exist for non-compliance? Does the Fund have a conflict of interest policy? If so, what does it cover (including additional employment, inside information, private/business interests, policy advice, gifts and other forms of benefit, and personal, family and community expectations and opportunities?) Are there any procedures to verify given disclosure reports as accurate?

Overall, the GEF has not adopted a zero-tolerance of corruption policy that would apply to all the Trust Funds operating under its remit. This means there is no fundamental principle or commitment of the GEF to ensure anti-corruption at all levels of decision-making and operations. This is a critical choice which would establish quite clearly the overall intentions of the GEF to adhere to broader principles of integrity and to build a strong culture of anti-corruption within the GEF.

There does not appear to be a code of conduct in place for the GEF (and, as such, the LDCF/SCCF) **Council**. However, Council Members are generally representatives of member governments and are therefore subject to their own national codes of conduct where applicable. This is likely to result in a variety of codes of conduct in practice, some of which may be ineffectual or even non-existent. This raises a potential risk in the LDCF/SCCF Council regarding integrity. Council Members should be clearly bound by a code of conduct which covers conflict of interest and a demand to abstain from corrupt or fraudulent behaviour or conduct. If a national code exists, this information should be published or otherwise declared in the context of the GEF. Considering the power Council Members wield, such assurances should be publicly stated.

As World Bank staff, each staff member of the **Secretariat** and **Trustee** is bound by the World Bank's Code of Conduct,⁹⁴ which explicitly outlines a range of actions to be proactively avoided, including personal, business and other conflicts of Interest, fraud and corruption as well as an advisory on kickbacks, bribery, facilitation payments and money laundering. As discussed above, clear compliance mechanisms are in place to enforce the Code.

It is unclear if there are any standards in place for **experts**, for example, those on the Accreditation Panel. Presumably, if contracted by the World Bank as experts to the Fund, then World Bank policies should apply. Considering the importance of the function of experts and advisors and the reliance placed on them by the Council, such as regarding accreditation decisions, this lack of clarity needs to be resolved. Without question, experts and advisors need to be bound by codes of conduct and conflict of interest policies which denounce corrupt and fraudulent behaviour.

As above, **Observers** sign up to a Code of Conduct through the GEF-NGO Network. This explicitly includes reference to anti-corruption behaviour and avoidance of conflicts of interest. The Network should make efforts to publicise this more.

Concerning **Operational Focal Points**, no information is available through the GEF on what code of conduct or conflict of interest policies they are bound to. Presumably, they are under some integrity and anti-corruption behaviour rules within their institutions, but that information is not required, published or otherwise declared in the context of LDCF/SCCF projects. Considering the power these Focal Points wield in terms of endorsing projects, such assurances should be publicly stated.

The **GEF Evaluation Office** has a separate and complementary set of ethical guidelines to deal with conflict of interest issues and the ethical rights of stakeholders during evaluations.⁹⁵ “Freedom from bias” is the first core principle of these ethical guidelines and there are various guidelines for avoiding external influences including a core principle of “open evaluation”.

The GEF fiduciary standards for **GEF Partner Agencies** include a Code of Ethics to promote responsible governance and ethical behaviour. Partner Agency staff, consultants and independent experts are covered.⁹⁶ The Code describes disciplinary and enforcement actions for violations, which should also include multiple avenues for confidentially reporting compliance and/or other business conduct concerns, such as a hotline and contact information for functional/department options (for example, human resources and internal audit) that are readily available, for example, on the Partner Agency's intranet and/or external websites.

The effectiveness of anti-corruption safeguards regarding Fund actors, projects and programmes has not been assessed by the GEF. No indication could be found in GEF documentation that these policies are monitored or have been evaluated to date. The accreditation review process and periodic project and programme progress reviews offer an opportunity for GEF Partner Agencies to provide performance reports.

Indicator (2): Integrity Screenings

Are integrity screenings or background checks of past corrupt behaviour or conduct required for the appointment and employment of persons, companies or organisations performing services to the Fund?

Guiding questions for this indicator included, inter alia: Are integrity screenings or background checks required to be conducted? If so, what do they cover (for example, education, employment history, reference checks, credential verification, criminal records, sanctioning by relevant regulatory authorities, identification as a possible politically exposed person, adverse media coverage, and conflicts of interest, among others)? Are they conducted by internal or external bodies?

The GEF does not require that **GEF Council Members** and alternates demonstrate integrity for their role. The Rules of Procedure for the Council are silent in terms of explicit criteria required for a Council Member (and hence, a LDCF/SCCF Council Member) to be qualified other than they must be appointed by the consensus of the participant nations they will represent.⁹⁷ Most Council Members are staff from the relevant and technical government ministries of their home countries, and therefore, it is expected that the country's own screening procedures would apply. This means that, in practice, standards are likely to vary between individual Council Members. This raises a potential risk in the LDCF/SCCF Council regarding integrity.

Regarding **GEF Secretariat** and **Trustee staff**, World Bank Group employees are subject to integrity screening during their recruitment process as set out in the World Bank Staff Manual.⁹⁸ Potential staff members are required to answer questions about qualifications, criminal convictions and whether they have been terminated or asked to resign from a past position. They also must provide a blanket authorisation for World Bank investigators to follow up on information provided by them in pre-employment screening.⁹⁹ The World Bank Staff Manual specifies that a hiring manager should ensure that the hiring of staff is consistent with the Principles of Staff Employment, Staff Rules, and the Code of Professional Ethics. Newly appointed staff must certify that they have read and will comply with standards of professional conduct contained in the Staff Rules. The exact details of what constitutes the screenings are not publicly available. Screenings are conducted by an internal body, the World Bank's Corporate Security Office. World Bank staff are provided the World Bank Staff Manual upon employment.

Regarding **GEF Partner Agencies**, there seems to be no requirement that Partner Agencies are required to conduct integrity screening of their Executing Entities or any other third party contractors. Most of the current Partner Agencies have clear internal policies to conduct due diligence. Still, the availability of information on what these requirements are is alarmingly slim.

There is no other information on integrity screening or requirements of any other actor within the LDCF/SCCF including **Panel Members**, **GEF Focal Points** and **Observers**.

Indicator (3): Integrity Training

Are appointed members and technical staff trained on issues of integrity?

Guiding questions for this indicator included, inter alia: Are there requirements for staff to be trained on codes of professional conduct or integrity as part of their orientation? Are appointees and staff required to attend any classes or briefings explaining in detail the respective codes of conduct they are subject to? What, if any, sanctions exist for non-compliance?

This question follows on from the previous one. The previous question attempts to establish whether there are efforts to establish the integrity of individuals prior to their engagement with the Fund. If, through such a process, there is evidence that integrity capacities may be low, then that would indicate a need for capacity building. This, in practical terms, means training. Because there is no effort to assess integrity, save for those staff who are World Bank employees, it is difficult to assess the need for integrity training. Assumptions of integrity cannot be taken for granted in any case, so a review of what integrity training has been required or done is, nonetheless, important.

According to available information, no integrity training has been conducted to date for Council Members and their alternates, advisors or experts, Operational Focal Points, and Observers. Also, no information is available about any specific integrity training done for or by GEF Partner Agencies in relation to their performance in GEF projects or programmes. This may have happened, but the information is not available – therefore, the assurance is missing.

That having been said, training on issues of integrity is available for World Bank Group employees. In the case of the GEF, this would include its Secretariat and Trustee staff. They have access to “outreach, communications and training activities” carried out by the Office of Ethics and Business Conduct which is designed to foster awareness of and adherence to ethical obligations of staff members.¹⁰⁰ Each staff member “may be required” to complete periodic training.¹⁰¹ There is also further staff training available from the Integrity Vice Presidency on prevention and detection of fraud and corruption in the World Bank Group and in Group projects.¹⁰² Further information on the content, regularity or attendance of such training could not, however, be located. Although the Office of Ethics and Business Conduct is required to “submit periodic reports to the Office of the President” on “Office of Ethics and Business Conduct’s activities”, “issues and trends relating to the ethics and business conduct functions, including on matters such as concerns raised by staff members, lessons learned in addressing those issues, and the functioning of EBC’s case management system” are not publicly available.¹⁰³ Also, annual reports of the Office of Ethics and Business Conduct are accessible on the World Bank website, but the links are not functioning.¹⁰⁴ It is difficult, therefore, to further assess the adequacy of such training. During a meeting between Transparency International and the GEF Secretariat in Washington, D.C. on 24 March 2013, Transparency International was informed that for World Bank staff – the provisions of which would be extended to GEF employees – a mandatory ethics training must be undertaken, which if they fail to complete, will lead to their email accounts being frozen.

REPORT GLOSSARY

TRANSPARENCY INTERNATIONAL PRINCIPLES AND TERMINOLOGY¹⁰⁵

Corruption as defined by Transparency International is *the abuse of entrusted power for private gain*. It refers to various types of corruption which are further detailed below. Corruption is not inevitable. A number of principles and policies can be implemented which can strengthen Climate Funds' operations and prevent corruption from creeping in. These include policies aimed at instilling transparency, accountability and integrity as strong principles guiding a Fund's operations.

- **Transparency** refers to a characteristic of governments, companies, organisations and individuals of being open in the clear disclosure of information, rules, plans, processes and actions. Acting visibly and understandably promotes participation and accountability and allows people outside an institution to monitor its work and to take action when something is not as it should be.
- **Accountability** is the concept that individuals, agencies and organisations (public, private and civil society) are held responsible for executing their powers properly – that they are “answerable for their actions and that there is redress when duties and commitments are not met”. This involves an “institutionalised relationship between different actors” where one set of people/organisations are held to account (“accountees”) by another set (“accounters”).¹⁰⁶
- **Integrity** refers to behaviours and actions consistent with a set of moral or ethical standards embraced by individuals and institutions that create a barrier to corruption.

The following terms are used throughout this report:

- **Access to Information** refers to the right by law – often through freedom of information legislation (acts or laws) – to access key facts and data from the government and any public body. Budgets, project approvals and evaluations are typically published, although citizens can petition for more materials to be released.
- **Bribery** refers to the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services and donations, among others).
- **Civil Society** is the arena, outside of the family, state and market where people associate to advance a common set of interests. Voluntary and community groups, non-governmental organisations, trade unions and faith-based organisations commonly are included in this sphere, making the term broader than a non-governmental organisation.
- **Code of Conduct** is a statement of principles and values that establishes a set of expectations and standards for how an organisation, government body, company, affiliated group or individual will behave, including minimal levels of compliance and disciplinary actions for the organisation, its staff and volunteers.
- **Conflict of Interest** refers to a situation where an individual or the entity for which they work, whether a government, business, media outlet or civil society organisation, is confronted with choosing between the duties and demands of their position and their own private interests.
- **Disclosure** refers to a provision of information as required under law or in good faith, regarding activities of a private individual, public official, company or organisation. Information can include a political candidate's assets, a company's financial reports, a non-governmental organisation's donors or a whistleblower's accusations.
- **Ethics** are based on core values, a set of standards for conduct in government, companies and society that guides decisions, choices and actions.

- **Whistleblowing** refers to the sounding of an alarm by an employee, director or external person in an attempt to reveal neglect or abuses within the activities of an organisation, government body or company (or one of its business partners) that threaten public interest, its integrity and reputation. The term in English is largely positive, although many languages lack a similar concept with the same connotation.

CLIMATE FUNDS TERMINOLOGY¹⁰⁷

- **Adaptation** refers to actions in response to actual or expected climatic stimuli that seek to reduce the vulnerability of natural and human systems to the adverse effects of climate change. Especially important in developing nations, which are expected to be worst affected.
- **The Adaptation Fund** is a Fund established to finance adaptation projects and programmes in developing countries particularly vulnerable to the adverse effects of climate change. The Fund became operational in 2009 and is supervised and managed by the Adaptation Fund Board but also administered by the Global Environment Facility. The Adaptation Fund is the first financial instrument under the UNFCCC and its Kyoto Protocol that is not based solely on voluntary contributions from developed countries. It receives a 2 per cent share of proceeds from project activities under the Clean Development Mechanism. Consequently, the amount of money that will be available from the Adaptation Fund depends on the extent to which the Clean Development Mechanism is used and on the price of carbon. As of July 2010, the Adaptation Fund had received US\$160 million, of which US\$112.5 million was generated through Clean Development Mechanism activities.
- **Climate Investment Funds** are financing instruments under the World Bank (therefore not accountable to the UNFCCC) that aim to drive low-carbon and climate-resilient development.
- **Clean Development Mechanism** is one of the three flexible mechanisms contained in the Kyoto Protocol. It allows emission-reduction projects in developing countries to earn certified emission reduction credits, each equivalent to one tonne of CO₂. These credits can be traded and sold and used by industrialised countries to meet a part of their emission reduction targets under the Kyoto Protocol. The mechanism stimulates sustainable development and emission reductions, while giving industrialised countries some flexibility in how they meet their emission reduction limitation targets. The Clean Development Mechanism is also the main source of income for the UNFCCC Adaptation Fund, which was established to finance adaptation projects and programmes in developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change. The Adaptation Fund is financed by a 2 per cent levy on certified emission reduction credits issued by the Clean Development Mechanism.
- **Conference of the Parties** refers to the management body of the UNFCCC. It currently meets once a year to review the Convention's progress. The most recent meeting of the Parties, COP19, took place in Warsaw, Poland, in November 2013.
- **Deforestation** refers to direct human-induced conversion of forested land to non-forested land.
- **Global Environment Facility** is an independent financial organisation. Set up in 1991 under the World Bank, the Facility provides grants to developing countries and countries with economies in transition for projects related to biodiversity, climate change, international waters, land degradation, the ozone layer and persistent organic pollutants. These projects benefit the global environment, linking local, national and global environmental challenges and promoting sustainable livelihoods. In 1994, at the Rio Earth Summit, the Facility was restructured and moved out of the World Bank system to become a permanent, separate institution, and it was entrusted to become the financial mechanism for the UNFCCC. The Facility manages the Least Developed Countries Fund and the Special Climate Change Fund and administers the Adaptation Fund.
- **Kyoto Protocol** is an international agreement standing on its own, and requiring separate ratification by governments, but linked to the UNFCCC. The Kyoto Protocol, among other things, sets binding targets for the reduction of greenhouse-gas emissions by industrialised

countries. The major distinction between the Protocol and the Convention is that while the Convention encouraged industrialised countries to stabilise greenhouse gas emissions, the Protocol commits them to do so. The Protocol was adopted in 1997. The detailed rules for the implementation of the Protocol, the “Marrakesh Accords”, were adopted at COP7 in 2001. To date, 192 states have signed and ratified the Kyoto Protocol.

- **Least Developed Countries Fund** refers to a Fund established under the UNFCCC in 2001 and operated by the Global Environment Facility that relies on voluntary contributions from developed countries. The Fund supports a work programme to assist Least Developed Country Parties to carry out, inter alia, the preparation and implementation of national adaptation programmes of action.
- **Mitigation** is a human intervention to limit greenhouse gas emissions, either through the reduction of greenhouse gas sources or by enhancing sinks to capture them. Mitigation involves measures to prevent climate change and is distinguished from adaptation, which involves acting to tolerate its effects. Examples include: using fossil fuels more efficiently for industrial processes or electricity generation; switching to solar energy or wind power; improving the insulation of buildings; and expanding forests and other “sinks” to remove greater amounts of carbon dioxide from the atmosphere.
- **Reforestation** refers to the direct human-induced conversion of non-forested land to forested land through planting, seeding and/or the human-induced promotion of natural seed sources on land that was forested but that has been converted to non-forested land.
- **Special Climate Change Fund** is a Fund established under the UNFCCC in 2001 and operated by the Global Environment Facility that relies on voluntary contributions from developed countries. The Fund is intended specifically to finance projects relating to: adaptation; technology transfer and capacity building; energy, transport, industry, agriculture, forestry and waste management; and economic diversification in developing countries.
- **UN Framework Convention on Climate Change (UNFCCC)** is an international treaty signed by 154 countries at the United Nations Conference on Environment and Development in Rio de Janeiro in 1992. The objective of the treaty is to stabilise greenhouse gas concentrations in the atmosphere at a level that will prevent dangerous interference with the climate system. The UNFCCC entered into force in March 1994. The Protocol to the Convention, signed in Kyoto in 1997, has more powerful and legally binding measures.

ANNEX 1: INDICATORS, SCORING AND GUIDANCE QUESTIONS, AND COLOUR CODING

The tables below set out the scoring and guidance questions for each indicator under the three criteria of transparency, accountability and integrity. In addition, for each indicator, the scenario representing weak (red), average (bright orange) and strong (green) performance are detailed. If the scenario does not fall easily into those three categories, the intermediate colours of yellow and dark orange are used.

Criteria	Transparency
Scoring Question	(1) Are there policy provisions in place for public access to information regarding the Fund's administration and operations including activities, outputs and decisions?
Guidance Questions	<p>Do guidelines regarding public access to information/information disclosure exist? Do these guidelines cover both information conveyed through meetings and documentation? If yes, do these apply to all phases of the project cycle (appointment, accreditation, application, reporting, disbursement, management, implementation, monitoring and evaluation)?</p> <p>If yes, are there deadlines for making such information available?</p> <p>If yes, do the provisions allow for any exemptions of information disclosure and confidentiality? If so, to what extent are these exemptions justified? Are the exemptions weighed against the greater public interest and the right to know?</p> <p>Do the guidelines allow for an appeal procedure to request non-disclosed information?</p>
WEAK	There are no provisions in place.
AVERAGE	There are provisions in place, but they are not comprehensive or time bound.
STRONG	There are clear, comprehensive and time bound provisions in place governing all relevant phases of the project cycle.

Criteria	Transparency
Scoring Question	(2) In practice, can members of the public obtain relevant and timely information on the Fund's policies, procedures, activities, outputs and decisions throughout the project cycle?
Guidance Questions	Is this information: available freely online or available on request; accurate and complete; coherent and understandable; timely and reliable as in required within a certain timeframe or by a specific deadline if one exists, or within a reasonable timeframe if no deadline exists; and regularly updated? If access to information provisions allow for confidentiality/non-disclosure of information, in practice are these provisions interpreted and applied with good justification with regard to the greater public interest and the right to know?
WEAK	There are no provisions in place.
AVERAGE	The information is either available publicly or upon request and is somewhat accurate, complete and timely.
STRONG	There are clear, comprehensive and time bound provisions in place governing all relevant phases of the project cycle.

Criteria	Accountability
Scoring Question	(1)* Does the Fund have effective financial reporting guidelines in place? Are the activities of relevant organisational decision-making body subject to audits? * <i>Where relevant</i>
Guidance Questions	Is the Fund required to submit financial reports? If so, how often? What types of expenditure are required to be documented in these reports? Are there mechanisms in place to vet the validity of any financial reports? In practice, are there examples of inadequate or fraudulent financial reports being filed from the Fund? How often are audits required to be conducted? What activities do these audits cover? Are they performed by internal auditing bodies or external agencies? Are the results of audits available to the public?
WEAK	There are no financial reporting requirements.
AVERAGE	Financial reporting requirements exist but are insufficiently thorough or inconsistently applied.
STRONG	Explicit reporting guidelines are in place and effectively enforced.

Criteria	Accountability
Scoring Question	(2)* Are the Fund's decisions governed by clear and effective accountability mechanisms ? <i>* Where relevant (that is, decision-making bodies only)</i>
Guidance Questions	Is the Fund required to explain its decisions to relevant external actors? Are the decisions of the Fund subject to timely and enforceable review? Are explanations of decisions provided to applicants in a predictable and timely fashion? Are there provisions in place detailing the procedures for affected parties to appeal contested decisions made by the Fund? Are those procedures publically available? In practice, how often are appeals to review decisions granted?
WEAK	The Fund is not required to explain its decisions and there are no appeal or review provisions.
AVERAGE	Procedures for the provision of explanations of decisions as well as for appeal of decisions are in place, but they are unclear and/or ineffective.
STRONG	The Fund provides comprehensive explanations of its decisions on a regular and predictable basis. Clear appeal procedures are publically available and are consistently adhered to.

Criteria	Accountability
Scoring Question	(3) Throughout the Fund's project cycle, are there provisions for effective, independent and enforceable whistleblower protection for any Fund-related executive members, employees, contractors, subcontractors and consultants who would expose any wrongdoing in any Fund-related action?
Guidance Questions	Is there any official policy or system for whistleblowing or the exposure of wrongdoing? How is the policy or system enforced? What are the procedures for handling disclosures from whistleblowers and other types of reports of wrongdoing? Are whistleblowers protected from termination, harassment or other forms of reprisals? Have whistleblowers faced adverse consequences for their actions? If so, please describe. What types of compensation or relief are available for whistleblowers who have been retaliated against? Have any whistleblowers been compensated for retaliation? Have employees, contractors and subcontractors, among others, reported wrongdoing? If so, what were the results of the disclosures? Please describe.
WEAK	Minimum (1) – There is no protection for whistleblowers.
AVERAGE	Midpoint (3) – Provisions exist to protect whistleblowers, but they are incomplete, poorly enforced and/or individuals who expose wrongdoing are still subject to reprisals in practice.
STRONG	Maximum (5) – Whistleblowers are provided with comprehensive protection both in law and in practice.

Criteria	Accountability
Scoring Question	(4) Are there independent and effective mechanisms in place to register and investigate complaints about corruption or fraud ?
Guidance Questions	Are their explicit procedures for how external actors can lodge complaints against the Fund? Are those procedures publically available? Is there a dedicated body within the Fund body to handle complaints? Is the Fund required to respond to complaints? In practice, how often does the Fund respond to complaints about its activities or actions?
WEAK	Minimum (1) – There are no provisions to handle complaints.
AVERAGE	Midpoint (3) – There are provisions in place to manage complaints, but they do not respond in a consistent manner.
STRONG	Maximum (5) – There is a clear and accessible complaints procedure that is consistently applied.

Criteria	Accountability
Scoring Question	(5) Are there effective policies and procedures in place to penalise corruption and fraud?
Guidance Questions	Does the Fund have policies and procedures which require sanctions or punishments for corrupt or fraudulent behaviour or activity be imposed and enforced at all levels of the Fund and throughout the project cycle? What is the scope of the policy coverage? If a policy exists, to what extent has it been applied? Does the policy require that sanctions are determined in a fair and independent manner? Does the policy allow for an appeals process? Is information on these policies and about sanctions imposed publicly available?
WEAK	There are no effective policies and procedures in place to penalise corruption and fraud.
AVERAGE	There are policies and procedures are in place to penalise corruption or fraud but they are insufficient and/or inconsistent.
STRONG	There are effective policies and procedures in place to penalise corruption and fraud at all levels of the Fund.

Criteria	Accountability
Scoring Question	(6) Is the Fund required to consult with civil society throughout the project cycle ?
Guidance Questions	Are there policies in place requiring the Fund to actively consult with civil society regarding their decisions or actions? Are there clearly stated and enforced penalties for failures to consult with civil society? In practice, how extensive are consultations between the Fund and civil society? In practice, to what extent are civil society recommendations acted upon?
WEAK	There is no consultation between the Fund and civil society.
AVERAGE	There are provisions requiring consultation, but consultation is irregular, limited and/or recommendations are rarely acted upon.
STRONG	Comprehensive and meaningful consultation between the Fund and civil society takes place on a regular basis.

Criteria	Accountability
Scoring Question	(7) Do independent civil society actors participate meaningfully in the proceedings of the Fund?
Guidance Questions	Are members of civil society allowed to participate in meetings? If so, is that role primarily participatory or observational? In practice, are members of civil society allowed meaningful access to Fund proceedings? Which civil society actors regularly participate? How are they selected? Do they have ties to appointed members?
WEAK	Civil society representatives are not allowed to participate in any of the Fund's proceedings.
AVERAGE	Civil society representatives may attend proceedings, but their participation is largely passive.
STRONG	Civil society representatives are afforded access and provided the opportunity to contribute meaningfully to proceedings.

Criteria	Integrity
Scoring Question	(1) Does the Fund have a policy and respective guidelines which require individual employees of Fund actors or approved members to be bound by an <i>effective</i> code of conduct which requires ethical and anti-corrupt behaviour and prohibits corrupt or fraudulent behaviour including conflicts of interest?
Guidance Questions	<p>Are there comprehensive codes of conduct written into the guiding documents for the Fund? Are those documents publically available? If they do exist, how are existing codes of conduct enforced?</p> <p>In practice, do appointed members and technical staff comport themselves according to widely accepted standards of professional conduct? What, if any, sanctions exist for non-compliance?</p> <p>Does the Fund have a conflict of interest policy? If so, what does it cover (including additional employment, inside information, private/business interests, policy advice, gifts and other forms of benefit, and personal, family and community expectations and opportunities)?</p> <p>Are appointments to the Fund made on a clear set of professional criteria? In practice, are the professional backgrounds of nominated members relevant to the mandate of the Fund or body they would be serving under?</p> <p>Who appoints these members? Are sitting members in the Fund subject to disclosure requirements?</p> <p>Are there any procedures to verify given disclosure reports as accurate?</p>
WEAK	<p>There are no guidelines related to professional conduct.</p> <p>There is no conflict of interest policy, appointments are not based on a clear process or criteria, and there are no disclosure requirements.</p>
AVERAGE	<p>Guidelines exist, but they are not comprehensive and/or actively monitored or enforced.</p> <p>A conflict of interest policy exists, appointments are made on the basis of a clear process and criteria, and disclosure requirements exist. However, these are neither sufficient nor comprehensive enough to meet comparable international standards.</p>
STRONG	<p>Clearly established, comprehensive guidelines exist, are available publically and are actively enforced.</p> <p>An effective conflict of interest policy exists, appointments are made based on clear criteria, and there are clear and comprehensive disclosure requirements in place and regularly enforced.</p>

Criteria	Integrity
Scoring Question	(2) Are appointed members and technical staff subject to integrity screenings or background checks prior to employment?
Guidance Questions	Are integrity screenings or background checks required to be conducted? If so, what do they cover (for example, education, employment history, reference checks, credential verification, criminal records, sanctioning by relevant regulatory authorities, identification as a possible politically exposed person, adverse media coverage, and conflicts of interest, among others)? Are they conducted by internal or external bodies?
WEAK	There is no requirement for integrity screenings or background checks to be conducted.
AVERAGE	Screenings or checks are required, but they are either not conducted or not comprehensive and/or conducted by independent actors.
STRONG	Comprehensive screenings and checks are required prior to employment and carried out by independent actors.

Criteria	Integrity
Scoring Question	(3) Are appointed members and technical staff trained on issues of integrity ?
Guidance Questions	Are there requirements for staff to be trained on codes of professional conduct or integrity as part of their orientation? Are appointees and staff required to attend any classes or briefings explaining in detail the respective codes of conduct they are subject to? What, if any, sanctions exist for non-compliance?
WEAK	There is no integrity training that takes place.
AVERAGE	Evidence of some actors being trained is available, but for other actors, such training is unknown. Training may be offered but optional and not required.
STRONG	Integrity training is required and there are clear and widely enforced penalties for non-participation.

ANNEX 2: COUNTRY LEVEL CORRUPTION AND GOVERNANCE DATA

The following table draws on two data sources – Transparency International’s *Corruption Perceptions Index 2012*¹⁰⁸ and the World Economic Forum’s *Global Competitive Report 2013-2013*.¹⁰⁹ The 2012 Index scores countries and territories based on how corrupt their public sector is perceived to be, with 0 signalling highly corrupt and 100 very clean. Countries scoring under 35 are generally considered to have endemic corruption. The table shows that 31 out of 43 Least Developed Countries Fund recipient countries and 19 of the 35 Special Climate Change Fund recipient countries included in the 2012 Index fall below this line.

The World Economic Forum’s *Global Competitive Report 2012-2013* assesses 12 pillars of competitiveness including that of “institutions”. This pillar includes a set of indicators on ethics and corruption in public institutions as well as indicators on private sector ethics. The value column reports the country’s score on each indicator on a scale of one to seven, with seven being the most desirable outcome. The rank column reports the country’s position among the 144 economies covered by the Report. The indicators suggest some challenges for the countries in receipt of Least Developed Countries Fund and Special Climate Change Fund money. For example, on the indicator “diversion of public funds”, amongst the Least Developed Countries Fund recipients, only Cape Verde, Gambia and Rwanda score over the half-way mark. Only four countries under the Special Climate Change Fund achieve this feat.

Table 1: Least Developed Countries Fund

COUNTRY	GEF PARTNER AGENCY	APPROVED AMOUNT IN US\$ MILLIONS	AMOUNT TRANSFERRED IN US\$ MILLIONS	CPI SCORE	1.03 DIVERSION OF PUBLIC FUNDS		1.05 IRREGULAR PAYMENTS AND BRIBES		1.07 FAVOURITISM IN DECISIONS OF GOVERNMENT OFFICIALS		1.08 WASTEFULNESS OF GOVERNMENT SPENDING		1.12 TRANSPARENCY OF GOVERNMENT POLICYMAKING		1.18 ETHICAL BEHAVIOUR OF FIRMS		1.19 STRENGTH OF AUDITING AND REPORTING STANDARDS		1.22 STRENGTH OF INVESTOR PROTECTION, 0-10 (BEST)	
					VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
Afghanistan	UNEP	4.9	4.9	8	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		0.2	0.2		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		9.1	0		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
Angola	UNEP	0.2	0.2	22	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		4.42	0		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
		8.35	0		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
Bangladesh	UNDP	3.3	3.3	26	2.6	107	2.2	144	2.2	135	3.2	71	3.9	101	2.9	139	3.7	127	6.7	24
		5.65	0		2.2	107	3.7	40	3	106	3.8	108	3.6	97	3.3	137	3.3	125		
		0.2	0.2		2.9	101	3.7	40	3	106	3.8	108	3.6	97	3.3	137	3.3	125		
Benin	AFDB	7.2	0	36	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		3.1	3.1		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA		
		0.2	0.2		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
Bhutan	UNDP	4	0	63	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		11.49	0		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
		0.2	0.2		NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
Burkina Faso	UNDP	3.45	3.45	38	2.5	118	3.2	112	2.8	90	3.2	92	4.4	60	4.1	54	4	109	3.7	120
		9	0		2.5	118	3.2	112	2.8	90	3.2	92	4.4	60	4.1	54	4	109	3.7	120
		0.2	0.2		2.5	118	3.2	112	2.8	90	3.2	92	4.4	60	4.1	54	4	109	3.7	120
Burkina Faso	UNDP	7	0	38	2.5	118	3.2	112	2.8	90	3.2	92	4.4	60	4.1	54	4	109	3.7	120
		2.9	2.9		2.5	118	3.2	112	2.8	90	3.2	92	4.4	60	4.1	54	4	109	3.7	120
		2.9	2.9		2.5	118	3.2	112	2.8	90	3.2	92	4.4	60	4.1	54	4	109	3.7	120

Burundi	UNDP	4	0	19	1.8	141	2.3	140	2.4	176	2	141	3.3	134	2.6	144	2.6	144	6	39	
		8.72	0																		
		3.08	0																		
Cambodia	AIDB	0.2	0.2																		
		0.2	0.2																		
	UNDP	1.85	1.85																		
		4.91	0	22	3.4	60	3.2	107	3.5	48	3.8	36	4	95	3.8	40	3.9	118	5.3	65	
		5.1	0																		
UNEP	1.64	1.64																			
Cape Verde	UNDP	3	3	60	4.4	40	4.9	38	3.5	49	3.5	54	4.4	58	4.4	46	4	112	4	110	
	UNDP	0.2	0.2																		
Central African Republic	UNDP	2.78	0	26	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
	UNEP	0.2	0.2																		
Chad	UNDP	0.2	0.2	19	2.2	134	2.3	141	2.4	124	2.1	134	3.1	138	2.8	140	3.3	135	3.3	125	
	UNEP	3.4	3.4																		
Comoros	UNDP	8.99	0	28	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
		0.2	0.2																		
Democratic Republic of Congo	UNDP	3	3																		
		0.2	0.2	21	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		5.36	0																		
Djibouti	UNEP	7.36	0																		
		2	2	36	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		0.2	0.2																		
Equatorial Guinea	UNDP	2	0																		
	UNDP	0.2	0	20	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
Eritrea	UNDP	0.2	0.2	25	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	

Ethiopia	UNDP	0.2	0.2	33	3.4	62	3.3	105	3	71	3.9	29	3.5	129	3.5	103	4	106	4.3	101
		5.31	5.31																	
		4.9	0																	
Gambia	UNDP	8.9	0	34	4.5	35	4.4	51	4.3	17	4.7	12	4.7	44	4.7	38	4.9	52	2.7	138
		0.93	0.93																	
		0.2	0.2																	
Guinea	UNEP	8	0	24	2.8	94	2.3	142	3.3	57	3.7	41	3.6	126	3.3	120	2.9	142	2.7	138
		2.97	2.97																	
		0.2	0.2																	
Guinea-Bissau	UNEP	3.72	0	25	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		0.2	0.2																	
		4	4																	
Haiti	UNDP	0.2	0.2	19	2.1	137	2.7	131	2.1	137	2	140	2.6	143	2.8	142	2.9	141	3	130
		3.5	3.5																	
		2.73	2.73																	
Kiribati	UNDP	4.45	0	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		3	3																	
		0.2	0.2																	
Lao PDR	UNDP	4.7	0	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
		4.45	4.45																	
		0.2	0.2																	
Lesotho	IFAD	4.33	0	45	3	83	3.5	95	2.9	98	3	100	3.3	135	3.1	133	3.8	121	3.7	120
		1.6	1.6																	
		0.19	0.19																	
Liberia	UNDP	8.4	0	41	4.4	38	4	66	4	30	4.2	22	4.5	50	4.4	44	4.4	78	3.7	120
		3.59	0																	
		2.9	2.9																	

Niger	UNDP	6.3	0	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA
		0.2	0.2																			
Rwanda	FAO	2.69	0	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA
		3.8	0																			
	0.2	0.2																				
	3.75	0																				
UNDP	3.5	3.5	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA	
	5.6	0																				
Rwanda	UNEP	0.2	0.2	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA
		3.16	3.16																			
	12.32	0																				
	1.95	0																				
Samoa	UNDP	2	2	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA
		2.4	2.4																			
	0.2	0.2																				
	4.08	0																				
Sao Tome and Principe	UNDP	4	0	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA
		0.2	0.2																			
	3.25	3.25																				
	1.99	0																				
Senegal	IBRD	5	5	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA
		0.2	0.2																			
	4	0																				
	2.94	0																				
AfDB	0.2	0.2	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA	
	4	0																				
Sierra Leone	UNDP	0.2	0.2	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA
		4	0																			
	2.64	2.64																				
	0.2	0.2																				
IFAD	2.64	2.64	NO DATA	53	4.5	37	5.8	21	5.1	5	5.5	4	5.5	7	5	28	4.6	69	6.3	NO DATA	NO DATA	
	4	0																				

	4	0																	
	3.45	3.45																	

Table 2: Special Climate Change Fund

COUNTRY	GEF PARTNER AGENCY	APPROVED AMOUNT IN US\$ MILLIONS	AMOUNT TRANSFERRED IN US\$ MILLIONS	CPI SCORE	1.03 DIVERSION OF PUBLIC FUNDS		1.05 IRREGULAR PAYMENTS AND BRIBES		1.07 FAVOURITISM IN DECISIONS OF GOVERNMENT OFFICIALS		1.08 WASTEFULNESS OF GOVERNMENT SPENDING		1.12 TRANSPARENCY OF GOVERNMENT POLICYMAKING		1.18 ETHICAL BEHAVIOUR OF FIRMS		1.19 STRENGTH OF AUDITING AND REPORTING STANDARDS		1.22 STRENGTH OF INVESTOR PROTECTION, 0-10 (BEST)	
					VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
Albania	UNEP	1.9	0	33	2.8	97	3.6	84	2.9	84	3.3	66	4.3	67	3.9	71	4.2	101	7.3	16
Azerbaijan	UNDP	2.7	2.7	27	2.9	86	3.2	110	3.6	43	3.4	58	4.5	49	3.9	69	4	111	6.7	24
Cameroon	AFDB	4.03	0	26	2.2	133	2.9	128	2.6	108	2.6	108	4.2	73	3.4	113	3.7	124	4.3	101
China	World Bank	5	5	39	3.7	51	4	67	3.8	34	3.7	39	4.5	51	4	58	4.5	72	5	80
Colombia	IADB	4.22	0	36	2.3	130	3.5	96	2.6	105	2.8	104	4.1	83	3.5	112	4.4	84	8.3	5

Ecuador	UNDP	3	3	32	2.6	109	3.2	109	3.1	79	3	101	4	96	3.1	131	4	107	4	110
Egypt	UNDP	4	4	32	2.6	113	3.4	100	3	74	2.5	113	3.8	113	3.8	73	4.1	104	5.3	65
	UNDP	1	1	33	3.4	62	3.3	105	3	71	3.9	29	3.5	129	3.5	103	4	106	4.3	101
Georgia	IFAD	5.3	0	52	4.7	30	5.6	26	3.4	51	3.5	52	4.8	36	4.1	55	4.3	94	7	17
Ghana	UNDP	1.72	1.72																	
	IFAD	2.5	2.5	45	3.2	70	3.1	115	3.3	69	3.4	66	4	90	3.8	75	4.4	79	6	39
Guyana	World Bank	3.8	3.8	28	2.8	98	3	123	2.3	133	3	85	4.2	80	3.8	82	4.2	97	5.3	65
	IFAD	3	0	28	2.7	101	3.6	87	2.3	125	3.1	93	4.2	79	3.8	79	4.8	57	3	130
India	ADB	1.82	0	36	2.8	91	3.4	99	2.8	92	3.4	63	4.3	65	3.8	81	5	44	6	39
	IBRD	8	0																	
Indonesia	UNDP	5	0	32	3.4	65	3.2	111	3.8	35	3.8	32	4.2	82	3.6	96	4.4	87	6	39
	IFAD	2	2	48	3.8	47	4.8	43	3.5	45	3.5	50	4.4	55	4.3	47	5	48	4.3	101
Kenya	World Bank	6.5	6.5	27	2.8	93	3	125	2.5	120	3.1	81	3.8	105	3.6	102	4.4	81	5	80

Kyrgyzstan	EBRD	5	0	24	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	
Lebanon		7.15	0	30	2.5	123	2.7	132	2	141	2.3	127	3.8	107	3.2	127	4.4	76	5	80
Mexico	World Bank	4.5	4.5	34	2.9	88	3.4	88	3	77	3.3	67	4.4	64	3.8	76	4.8	55	6	39
Moldova	IFAD	4.26	0	36	2.6	108	3.4	103	2.5	121	3	87	4.4	61	3.4	117	4.2	98	4.7	94
Mongolia	IFAD	1.5	1.5	36	2.3	129	3.2	114	2.3	130	2	138	3.9	102	3.6	130	3.9	125	6.3	29
Morocco	World Bank	4.35	4.35	37	3.2	57	4.2	60	3.6	42	3.4	60	4.4	53	4	67	4.3	89	5	80
Mozambique	UNDP	0.96	0.96	31	2.3	128	3.6	88	2.9	83	2.8	102	4.3	70	3.2	122	3.9	116	6	39
Namibia	UNDP	3.05	0	48	3.1	71	4.2	61	2.8	88	3.4	55	4.1	85	4	59	5.1	31	5.3	65
Nicaragua	IBRD	6	6	29	2.7	104	3.4	98	3.2	75	3.3	81	3.7	120	3.6	101	4.2	96	5	80
Philippines	World Bank	4.97	4.97																	
	UNDP	1.05	0	34	2.8	100	3.2	108	2.8	87	3	86	4	97	3.7	87	5.1	41	4	110
South Africa	UNDP	3.54	3.54	43	3	84	4.6	47	2.6	110	3.4	62	4.8	35	4.3	48	6.6	1	8	10

Sri Lanka	UNDP	3.12	0	40	3.5	57	3.9	70	3.6	44	4	26	4.3	66	4	61	5	46	6	39
Swaziland	UNDP	1.67	0	37	2.6	114	3.7	83	2.6	111	2.2	129	3.5	132	3.6	99	5.1	40	4.3	101
Tajikistan	World Bank	2.73	2.73	22	3.3	66	3.4	111	3.7	40	3.7	42	4.3	68	3.8	78	3.7	125	5.7	52
Tanzania	UNDP	1	1	35	3	78	3.1	116	3.3	56	3.1	82	4	93	3.5	109	3.9	114	5	80
Thailand	UNDP	0.87	0.87	37	3	82	3.7	80	2.8	86	3.2	70	4	89	3.9	68	4.9	53	7.7	13
Tunisia	UNDP	5.6	0	41	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA
Vietnam	ADB/UNDP	3.4	3.4	31	3.3	69	3.1	118	3	79	2.6	110	3.9	100	3.6	88	3.5	132	3	130
Zimbabwe	UNDP	0.98	0.98	20	2.8	92	3.9	69	2.5	117	2.9	99	4.3	72	3.9	72	5.2	35	4.3	101
Zimbabwe	UNDP	3.98	0	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA	NO DATA

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ENDNOTES

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- ² See: Decision 1/CP.16 *The Cancun Agreements: Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention*, UNFCCC 2010. http://unfccc.int/files/meetings/cop_16/application/pdf/cop16_lca.pdf
- ³ See: *Global Corruption Report: Climate Change*, Transparency International 2011. www.transparency.org/whatwedo/pub/global_corruption_report_climate_change
- ⁴ Transparency International worked with the Stockholm Environment Institute to develop and run the mapping and assessment methodology for the Climate Investment Funds, the Global Environment Facility and the Adaptation Fund. Transparency International further worked with Tim Cadman and Inken Reimer to carry out a mapping and assessment of the UN-REDD and Forest Carbon Partnership Facility.
- ⁵ The Climate Investment Funds, the GEF Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF), the Adaptation Fund, the UN-REDD Programme, and the Forest Carbon Partnership Facility. Climate Funds such as those listed are not “institutions” in and of themselves but are Funds or partnerships supported by other institutions and financed by Trust Funds. For the purposes of this report, all Funds/Mechanisms will commonly be referred to as “Funds”.
- ⁶ The assessment criteria and indicators used were drawn from a number of existing Transparency International research products, including: The National Integrity System Assessment Methodology, http://transparency.org/files/content/nis/NationalIntegritySystem_Background_and_Methodology.pdf; The Analysing Corruption in the Forestry Sector Tool, http://issuu.com/transparencyinternational/docs/2010_forestgovernanceriskmanual_en?mode=window&backgroundColor=%23222222; The Corruption Risk Assessment Tool for the European Economic Area and Norway Financial Mechanism 2009-2014, www.arhiv.svlr.gov.si/en/areas_of_work/european_territorial_cooperation/international_financial_mechanisms/the_eea_financial_mechanism_and_the_norwegian_financial_mechanism/; and The Public Procurement Due Diligence Tool, <http://gateway.transparency.org/tools/detail/24>.
- ⁷ See: *Global Climate Finance: A Governance Risk Assessment Toolkit*, Transparency International 2012.
- ⁸ See: *Programming Strategy for Adaptation to Climate Change under the LDCF and SCCF*, GEF 2013. www.thegef.org/gef/sites/thegef.org/files/documents/LDCF-SCCF-Financing-DRAFT%20Programming%20Strategy%20Adaptation_April_2013.pdf
- ⁹ See: LDCF Contributors, *The Latest Information on Climate Funds, Climate Funds Update 2013*. www.climatefundsupdate.org/data. Other donors in order of contribution size include Belgium, Denmark, Australia, Canada, Norway, Finland, France, Ireland, Switzerland, New Zealand, Luxembourg, Spain, Hungary, Italy, Austria, Iceland, Japan, Romania, Portugal and Czech Republic.
- ¹⁰ The Conference of Parties has also requested the GEF, through the SCCF, to support the National Adaptation Plan process in developing countries that are not LDCs (Decision 12/CP.18).
- ¹¹ See: SCCF Contributors, *The Latest Information on Climate Funds, Climate Funds Update 2013*. www.climatefundsupdate.org/data. Other donors in order of contribution size include United Kingdom, Canada, Spain, Finland, Italy, Denmark, Switzerland, Sweden, Netherlands, Ireland and Portugal.
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- ¹⁴ See: *Definitions*, Transparency and Accountability Initiative (undated). www.transparency-initiative.org/about/definitions

¹⁵ However, if the Proponent wishes to apply for a Project Preparation Grant, they must first submit a Project Identification Form for approval by the GEF Chief Executive Officer before moving on to the full proposal.

¹⁶ The GEF is the managing body of the SCCF and LDCF Funds. GEF's operational policies, procedures and governance structure are applied to these Funds, unless Conference of Parties guidance and the LDCF/SCCF Council decide otherwise.

¹⁷ As part of the GEF-5 reforms, the GEF Council agreed in November 2010 to launch a pilot to broaden the GEF partnership beyond the existing ten Agencies, to include new Agencies that may access GEF resources to carry out GEF-financed activities. Under this pilot, up to ten new Agencies may be accredited, with priority given to national institutions.

¹⁸ Other parties are also invited to attend LDCF/SCCF Council meetings though without decision-making status; namely, the GEF Partner Agencies, the Trustee (World Bank), all GEF participant countries, UN conventions (such as those on climate change, biodiversity, desertification and the UN Commission on Sustainable Development), and the GEF-NGO Network.

¹⁹ See: *Clarifying the Responsibilities of the GEF's Key Actors with Respect to the Use of GEF Resource*, GEF 2012a.

www.unep.org/dgef/Portals/43/news/C4204_Clarifying_the_Responsibilities_of_the_GEFs_Key_Actors_with_respect_to_the_Use_of_GEF_Resources.pdf

²⁰ See: Decision 12/CP. 2, Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility, UNFCCC, 1996.

<http://unfccc.int/resource/docs/cop2/15a01.pdf#page=55>

²¹ See: *Broadening the GEF Partnership under Paragraph 28 of the GEF Instrument*, GEF 2011b.

www.unep.org/dgef/Portals/43/news/Broadening%20partnership%20C%2040%2009.pdf

²² See: *Terms of Reference of the Scientific and Technical Advisory Panel (March 2012)*, STAP 2012. <http://www.stapgef.org/stap/wp-content/uploads/2013/04/STAP-TORs-revised-March-2012-final.doc>

²³ Only the first function is currently being carried out as the second two are yet to be put in place.

²⁴ STAP, 2012.

²⁵ See: *Living Our Values. Code of Conduct (February 2013)*, World Bank 2013a.

http://siteresources.worldbank.org/INTETHICS/Resources/ethics_code_2013-Mar13-CRA.pdf

²⁶ See: *GEF Evaluation Office Ethical Guidelines*, GEF 2007.

www.thegef.org/gef/sites/thegef.org/files/documents/EthicalGuidelines.pdf

²⁷ See: *GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards Minimum Environmental and Social Standards (18 November 2011)*, GEF 2011d.

www.thegef.org/gef/sites/thegef.org/files/documents/C.41.10.Rev_1.Policy_on_Environmental_and_Social_Safeguards.Final%20of%20Nov%2018.pdf

²⁸ See: *Terms of Reference for an Independent Monitoring and Evaluation Unit*, GEF 2001.

www.thegef.org/gef/node/4134

²⁹ See: *Instrument for the Establishment of the Restructured Global Environment Facility*, GEF

2011f. www.thegef.org/gef/sites/thegef.org/files/publication/GEF_Instrument_Oct2011_final_0.pdf

³⁰ GEF, 2012a: 5. Financial Procedures Agreements are agreements made between the Trustee and the GEF Partner Agency, which include specific procedures for all GEF Funds authorised by the Council or by the Chief Executive Officer where such authority has been delegated to the Chief Executive Officer.

³¹ GEF, 2011f: 25

³² See: *Legal Arrangements Between the Conference of the Parties Serving as the Meeting of the Parties to the Kyoto Protocol and the International Bank for Reconstruction and Development (World Bank) regarding the services to be provided by the Trustee for the Adaptation Fund* in UNFCCC Document: FCCC/KP/Conference of Parties/2008/11/Add.2 at pp. 12-20.

<http://unfccc.int/resource/docs/2008/cmp4/eng/11a01.pdf>

³³ GEF, 2012a.

³⁴ See: *GEF Grants Conservation International and World Wildlife Fund-US Direct Access to Environmental Funding*, GEF 2013. www.thegef.org/gef/node/10076

³⁵ See: *Report on the Pilot Accreditation of GEF Project Agencies*, GEF 2013e.

www.thegef.org/gef/sites/thegef.org/files/documents/GEF.C.44.09_Report%20on%20the%20Pilot%20Accreditation%20of%20GEF%20Project%20Agencies.pdf. These include national institutions,

regional organisations, civil society organisations/non-governmental organisations, United Nations

specialised agencies and programmes, and other international organisations. Their addition will be confirmed once required fiduciary and social and environmental standards have passed.

³⁶ There are different processes in place depending on whether a project is a medium-sized or full-sized project with the former being more streamlined. See the project cycle map for more details.

³⁷ See: Draft Procedures Manual for the Accreditation of GEF Project Agencies, GEF 2011c.

<http://www.thegef.org/gef/content/procedure-accreditation-gef-project-agencies>

³⁸ GEF, 2012a.

³⁹ See: *Highlights of the Council's Discussions, GEF Council Meeting 5-7 June 2012*, GEF 2012c.

www.thegef.org/gef/sites/thegef.org/files/documents/Highlights.pdf

⁴⁰ The GEF Political Focal Points and Operational Focal Points have different functions, although the exact specifications of the two designations may vary from country to country. All GEF member countries have Political Focal Points, while only recipient member countries eligible for GEF project assistance have Operational Focal Points.

⁴¹ See: www.gefnngo.org/

⁴² See: *Revised Rules and Procedures for the GEF-NGO Network, Version 1.2*, GFO-NGO Network 2012a.

www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&cad=rja&ved=0CDEQFjAB&url=http%3A%2F%2Fwww.gefnngo.org%2Fview_file.cfm%3Ffileid%3D721&ei=KfNnUq2pLsnHtQa-IID4Ag&usq=AFQjCNEA4Ffxl0wMRjvK8CITVfsOZQkPAA&sig2=1Rdp0Cb1O1DxcLjMKtN6Ew&bvm=bv.55123115.d.Yms

⁴³ Ibid

⁴⁴ Ibid

⁴⁵ See: *Decision 27/CP.7, Guidance to an Entity Entrusted with the Operation of the Financial Mechanism of the Convention, for the Operation of the Least Developed Countries Fund (21 January 2002)*, UNFCCC 2002. <http://unfccc.int/resource/docs/cop7/13a04.pdf>

⁴⁶ See: *Policy on Public Involvement in GEF Projects (13 August 2012)*, GEF 2012d.

www.thegef.org/gef/sites/thegef.org/files/documents/document/Public_Involvement_Policy.Dec_1_2_011_rev_PB.pdf

⁴⁷ Ibid

⁴⁸ See: *GEF Practices on Disclosure of Information (13 October 2011)*, GEF 2011e.

www.thegef.org/gef/sites/thegef.org/files/documents/C.41.Inf_.03_GEF_Practices_on%20Disclosure_of_Information.pdf

⁴⁹ See:

http://www.thegef.org/gef/sites/thegef.org/files/documents/C.42.09.Rev_.01_Secretariat%20Recommendations%20of%20Project%20Agencies%20for%20Accreditation.pdf,
http://www.thegef.org/gef/sites/thegef.org/files/documents/GEF.C.43.07_Progress%20Report_Accreditation%20Process%20for%20GEF%20Project%20Agencies.pdf and
http://www.thegef.org/gef/sites/thegef.org/files/documents/GEF.C.44.09_Report%20on%20the%20Pilot%20Accreditation%20of%20GEF%20Project%20Agencies.pdf.

⁵⁰ See: *Accessing Resources Under the Least Developed Country Fund (May 2011)*, GEF 2011a.

http://www.thegef.org/gef/sites/thegef.org/files/publication/23469_LDCF.pdf and *Accessing Resources Under the Special Climate Change Fund*, GEF (undated3).

http://www.thegef.org/gef/sites/thegef.org/files/publication/23470_SCCF.pdf.

⁵¹ See: *Annual Monitoring Review*, GEF 2013.

www.thegef.org/gef/sites/thegef.org/files/documents/GEF.C.45.05%20Annual%20Monitoring%20Review%20FY%2013%20-%20Part%20I%20October%209%202013%20Final.pdf

⁵² See more: *Status on LDCF Approvals, Pledges, and Disbursements*, GEF 2012h.

www.thegef.org/gef/council_document/status-ldcf-approvals-pledges-and-disbursements

⁵³ See: *Updated Results-based Management Framework for the LDCF and SCCF and the Adaptation Monitoring and Assessment Tool 2010 (20 October 2010)*, GEF 2010d.

www.thegef.org/gef/sites/thegef.org/files/documents/LDCFSCCF-RBM-UpdateFramework-Oct%202010%20final.pdf

⁵⁴ See: *GEF Recommended Minimum Fiduciary Standards (17 July 2007)*, GEF 2007a.

www.thegef.org/gef/sites/thegef.org/files/documents/Recommended_Minimum_Fiduciary_Standard.pdf

⁵⁵ See: *Agency Progress on Meeting the GEF Fiduciary Standards (14 May 2012)*, GEF 2012.

www.thegef.org/gef/sites/thegef.org/files/documents/C.42.Inf_.11_Fiduciary_Standard.pdf

- ⁵⁶ See: *SCCF Audited Financial Statement for the Year Ending June 30, 2007* (21 March 2008), GEF 2008.
www.thegef.org/gef/sites/thegef.org/files/documents/LDCF.SCCF_4.Inf_5%20Audited%20Financial%20Statement%2003.21.08.pdf
- ⁵⁷ See: *Accessing Resources Under the Least Developed Country Fund* (May 2011), GEF 2011a.
www.thegef.org/gef/sites/thegef.org/files/publication/23469_LDCF.pdf
- ⁵⁸ See: *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf. 3, October 28 2010, GEF 2010c. www.thegef.org/gef/sites/thegef.org/files/documents/C.39.Inf_3%20-%20GEF%20Project%20and%20Programmatic%20Approach%20Cycles.pdf
- ⁵⁹ GEF, 2011c.
- ⁶⁰ See: *The Green Climate Fund's No-Objection Procedure and Private Finance: Lessons Learned from Existing Institutions*, Orenstein, K., J. Redman and N. Tangri 2012.
http://libcloud.s3.amazonaws.com/93/21/8/2350/no_obj_reprt_foe_gaia_ips_FINAL_8-10.pdf
- ⁶¹ See: *Staff Manual*, World Bank 2012a.
http://siteresources.worldbank.org/INTSTAFFMANUAL/Resources/StaffManual_WB_web.pdf
- ⁶² As provided by the staff rules, staff members may seek relief through: 1) appeals before the Appeals Committee and the Administrative Tribunal or 2) an alternate dispute resolution mechanism, such as the Office of Mediation.
- ⁶³ World Bank, 2012a.
- ⁶⁴ See: *Hotline and Whistleblower Protection: "Agency Policies Provide Avenues for Reporting Suspected Ethics Violations and Protections for Individuals Reporting such Violations"*, GEF 2007a.
- ⁶⁵ See: *Agency Progress on Meeting the GEF Fiduciary Standards* (4 June 2010), GEF 2010.
www.thegef.org/gef/sites/thegef.org/files/documents/C.38.10_Agency_Progress_on_Meeting_Fiduciary_Standards_0.pdf and GEF, 2011.
- ⁶⁶ GEF, 2011d.
- ⁶⁷ Ibid
- ⁶⁸ Complainants are invited to send a formal request in the form of a letter or an e-mail to Dr. Naoko Ishii, Chairperson and Chief Executive Officer of the GEF or call or write directly to the Commissioner.
- ⁶⁹ GEF, 2013.
- ⁷⁰ Orenstein, 2012.
- ⁷¹ GEF, 2007.
- ⁷² World Bank, 2012a.
- ⁷³ Ibid
- ⁷⁴ The World Bank's self-investigatory function as explained under indicator 4 above.
- ⁷⁵ World Bank, 2013a – which explicitly outlines a range of actions to be proactively avoided including personal, business and other conflicts of interest, fraud, and corruption, including an advisory on kickbacks, bribery, facilitation payments and money laundering.
- ⁷⁶ GEF, 2012a.
- ⁷⁷ Current Financial Procedures Agreements available online for existing GEF Partner Agencies have not been updated since this document was released. See:
www.thegef.org/gef/policy/UNDP_FPA.
- ⁷⁸ The three original GEF Partner Agencies have their obligations spelt out in the GEF instrument. The Executing Entities that were added later, however, have these obligations spelt out in Memoranda of Understanding available at: <http://www.thegef.org/gef/mou-gef-agencies>. All ten together also enter into Financial Procedures Agreements with the Trustee regarding the financials.
- ⁷⁹ GEF, 2011c.
- ⁸⁰ See: *Revised Enforcement Policy and Procedures*, European Bank for Reconstruction and Development 2009. www.ebrd.com/downloads/integrity/epp.pdf
- ⁸¹ See: *World Bank Sanctions Procedures*, World Bank 2012b.
http://siteresources.worldbank.org/EXTOFFEVASUS/Resources/WBGSanctions_Procedures_April2012_Final.pdf
- ⁸² See: *Sanctions Procedures of the Inter-American Development Bank*, Inter-American Development Bank 2011. <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=36233155>
- ⁸³ See: *Sanctions Procedures of the African Development Bank Group*, African Development Bank Group 2013. www.afdb.org/fileadmin/uploads/afdb/Documents/Generic-Documents/The%20Sanctions%20Procedures%20of%20the%20AfDB.pdf

- ⁸⁴ See: *Integrity Principles and Guidelines*, Asian Development Bank 2012. www.adb.org/sites/default/files/integrity-principles-guidelines.pdf
- ⁸⁵ GEF, 2012d.
- ⁸⁶ Ibid
- ⁸⁷ See: *Enhancing the Engagement of Civil Society Organizations in Operations of the GEF*, GEF 2010a. www.thegef.org/gef/sites/thegef.org/files/documents/C.39.10.Rev_.1%20Enhancing%20the%20Engagement%20of%20CSO.pdf
- ⁸⁸ See, for example: www.thegef.org/gef/sites/thegef.org/files/gef_prj_docs/GEFProjectDocuments/Climate%20Change/Uganda%20-%20%284993%29%20-%20Uganda-%20Strengthening%20Climate%20Information%20and%20Earl/ID4993%20%20_Uganda%20EWS_CEO%20Endorsement%20Uganda%2018July2013.pdf
- ⁸⁹ See: *GEF-NGO Network Statement (9 November 2011)*, GEF 2011. www.gefngo.org/view_file.cfm?fileid=509 and *Report to the GEF Council (1 July 2011 - 20 June 2012)*, GEF-NGO Network 2012. www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=4&ved=0CD8QFiAD&url=http%3A%2F%2Fwww.gefngo.org%2Fview_file.cfm%3Ffileid%3D724&ei=kTphUq5fytmzBuSUgPgF&usq=AFQjCNHu-lbbcd1azhy4HxKyx59oDghXgw&sig2=D8DchLqIV94z7WYopIDBug&bvm=bv.54934254.d.Yms&cad=rja
- ⁹⁰ GEF (2011c).
- ⁹¹ See: *A Guide to the Global Environment Facility for NGOs*, GEF (undated). www.unep.org/civil-society/Portals/24105/documents/publications/Guide_to_the_GEF_for_NGOs.pdf
- ⁹² GEF, 2012d.
- ⁹³ GEF, 2010a.
- ⁹⁴ World Bank, 2013a.
- ⁹⁵ GEF, 2007.
- ⁹⁶ GEF, 2007a.
- ⁹⁷ See: *Rules of Procedure for the GEF Council (October 2007)*, GEF 2007b. www.thegef.org/gef/sites/thegef.org/files/publication/11488_English.pdf
- ⁹⁸ World Bank, 2012a.
- ⁹⁹ World Bank, F00011 Personal History Form, available at: http://irispublic.worldbank.org/85257559006C22E9/DOC_VIEWER?ReadForm&I4_KEY=3FF49099056A712885256C9000646009D47EE6188DBAA3E785257012006A99E3&I4_DOCID=F48BAE36565C0F1E852575A200771CF6&
- ¹⁰⁰ See: *Staff Rule 3.00*, World Bank, Office of Ethics and Business Conduct (EBC) 2013. http://irispublic.worldbank.org/85257559006C22E9/DOC_VIEWER?ReadForm&I4_KEY=3FF49099056A712885256C9000646009D47EE6188DBAA3E785257012006A99E3&I4_DOCID=9F4444985322118D852577A7004B7F73&
- ¹⁰¹ Ibid
- ¹⁰² See: *Vice Presidency for Institutional Integrity Terms of Reference*, World Bank 2011. <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/ORGUNITS/EXTDOI/0,,print:Y~isCURL:Y~contentMDK:20548280~menuPK:1701719~pagePK:64168445~piPK:64168309~theSitePK:588921,00.html>
- ¹⁰³ World Bank, EBC, 2013.
- ¹⁰⁴ See: <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/ORGUNITS/EXTETHICS/0,,contentMDK:23259529~menuPK:8806019~pagePK:64168445~piPK:64168309~theSitePK:593304,00.html> The links to the Annual Reports, the last of which were dated as 2010 were not functioning as of 27 February 2013.
- ¹⁰⁵ All terminology is adapted from Transparency International's *Anti-Corruption Plain Language Guide* available at: www.transparency.org/whatwedo/pub/the_anti_corruption_plain_language_guide
- ¹⁰⁶ Transparency and Accountability Initiative, no date.
- ¹⁰⁷ All terminology is adapted from Transparency International's *Global Corruption Report: Climate Change. A User's Guide* available at: www.transparency.org/whatwedo/pub/global_corruption_report_climate_change

¹⁰⁸ Transparency International, 2012.

¹⁰⁹ World Economic Forum, 2012.

