The role of non-governmental actors

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Dealing with climate change in an effective and timely manner will need “all hands on deck”. The Green Climate Fund (GCF) will benefit enormously by harnessing the expertise, energy, innovation, commitment and passion of non-government actors – in planning, implementing and monitoring funded activities. While designing the rules and procedures for the role of non-government actors, the lessons learnt by existing global financial institutions/arrangements must be taken into account.

A key lesson from past efforts to engage non-government actors is that providing access for a few representatives at global meetings/decision-making sessions is not enough. This limited interaction only allows a superficial level of engagement at the global level – it does not reach out sufficiently to non-government actors at the national and local level, where the activities are actually being implemented.

Instead, the challenge is to ensure better representation and inclusion of non-government actors at the national and local levels. Non-government communities and individuals whose lives are directly affected by the activities of the Fund must have the necessary arrangements in place to participate in decisions on funding, and to convey their experiences and concerns to decision-makers.

In other words, the challenge is not so much about improving horizontal, global-level engagement, as it is to improve vertical, ‘bottom-up’ national and local-level engagement. (Such engagement will undoubtedly be easier to implement in an overall institutional arrangement that follows the Principle of Subsidiarity and delegates disbursement decisions to national and sub-national entities – for instance, through National Funding Entities.)

Why engage with non-government actors?

Before designing the rules and procedures for engaging non-government actors in the disbursement and use of climate finance, it may be useful to revisit the benefits of doing so.

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In recent decades, non-government actors have proved their ability to implement projects and activities effectively, promote innovative solutions, and achieve results at lower costs. They sometimes have better access to target audiences, are able to promote better synergies and contribute towards more effective monitoring. They can also lend greater legitimacy to global institutions/ bodies such as the GCF, by improving the level of local-level input in decision-making.

National and sub-national non-government actors, in particular, have a good understanding of national circumstances, and political resources including social networks, an intricate knowledge of institutional relationships and tacit rules of political engagement, and a continued presence, which is needed to take advantage of sporadic opportunities for change, and to ensure long-term programme success. The domestic community is also likely to have more legitimacy for demanding change from national governments, and can afford to be more critical of national policies.

In the specific case of climate change finance, non-government actors can play at least three important roles:

- Bridge the gap between global or national decision-making and local implementation by translating local level experiences to inform and influence global decision-making; and global policies and decisions for local implementation.
- Plan, implement and monitor activities to achieve international goals, and promote innovative approaches.
- Contribute towards improving accountability, transparency, equity and effectiveness at all levels (global, national, local) of decision-making and implementation.

**The barriers so far**

Few global financial institutions/ arrangements have managed to harness the full benefit of non-government engagement. The main barriers have been:

- An emphasis mainly on engaging non-government actors at the global level, with very limited emphasis on reaching out to national and sub-national non-government actors. Combined with the practice of most international financial institutions of making disbursement decisions at the global level with very little input from national stakeholders, this has largely isolated national non-government constituents.
- Limited funding and other resources (including, for instance, knowledge, capacity and institutions) to empower national and sub-national actors to take on a bigger role.
- Lack of effective dispute resolution procedures, to ensure that non-government actors have the institutional arrangements in place to register complaints and objections, and ensure they are heard.
Overcoming the barriers

The GCF must therefore be willing to invest effort into designing a new paradigm for non-government participation, particularly at the national and sub-national levels, rather than using earlier designs as a template. Non-government actors must be engaged in this design from the very start, to ensure a well-integrated process. A few elements of this new design, proposed to overcome the barriers described above, could be as follows:

1. **A ‘bottom-up’ process of engaging non-government actors, built up from the local to the national/global level.**

   This could be achieved by investing in National Stakeholder Networks. Sub-national members of this network could then regularly elect representatives for a fixed term, to represent them at national and global meetings (thus eliminating the current random selection of representatives), and to ensure the integrity of the Network. Strong accountability measures should be in place.

2. **Adequate and independent resources.**

   A more formalised role for non-government actors will undoubtedly need further investment – however, this is an investment that is long overdue, and will prove cost effective in the long run through improved local implementation of global goals. Several global processes strive for effectiveness and accountability at the national and local level, without investing in root causes that make both elusive. In order to ensure its independence and integrity, the networks should receive a fixed percentage of the funds allotted to each country.

3. **Effective redress mechanisms.**

   An independent process to enforce mutual accountability (between the GCF, national governments and non-government actors) should be in place from the start. If needed (depending on the disbursement rules of the GCF), such a redress mechanism should be available at the national as well as global level. Previous experience indicates that at least three minimum criteria to ensure the credibility and independence of a redress or appeals mechanism: independence (members should be chosen from outside the institution, and their budget should be independent and adequate); public accountability (the public should have access to every stage of the redress process) and effectiveness (the mechanism must have the authority to ensure that their recommendations are acted upon).

Conclusions

A key shortcoming of most global funding mechanisms is that the people whose lives are most affected by the funded activities, most often have the least say. The GCF should be willing to rectify this grave and costly omission (the success of the funded activities has suffered as a result), by going back to the design board when defining the role of non-government actors, instead of relying on a faulty template.