

Transparency International Submission to the Subsidiary Body for Scientific and Technological Advice (SBSTA) on the REDD+ Safeguards Information System

[Transparency International \(TI\)](#) welcomes the REDD+ environmental, social and governance Safeguards as a vital set of principles to guide and ensure the effectiveness and accountability of REDD+ activities at all levels. Equally, TI appreciates the Safeguard Information System (SIS) as an essential tool to ensure meaningful transparency regarding the achievement of REDD+ safeguards for all stakeholders affected by REDD+.

In this regard, TI supports the submission by the [REDD+ Safeguards Working Group \(R-SWG\)](#) calling for greater guidance from the UNFCCC to address existing gaps and to provide greater clarity on the SIS. Such guidance should establish the core elements of the SIS and support the development of clear and measurable indicators that clearly set out the type, quality and quantity of information that is required to show how REDD+ Safeguards are addressed and respected at the national level. In support of the R-SWG submission, TI submits **five main recommendations** to enhance the transparency and accountability of the SIS for the consideration of the SBSTA and the Conference of Parties at their 20th meeting in December 2014.

- 1) REDD+ recipient countries should provide information regarding the extent and effectiveness to which REDD+ stakeholder engagement is achieved.** The SIS should document this information including but not limited to the number, gender, and social diversity of stakeholders engaged, the type and frequency of consultations, the minutes of the meetings and stakeholder evaluations of the quality of consultations conducted.
- 2) REDD+ recipient countries should provide information through the SIS regarding the quality and effectiveness of in country REDD+ grievance mechanisms.** Whilst assuring the anonymity and security of complainants the SIS should document information including but not limited to the number and type of complaints received, how they have been addressed and the average timeframes taken to effectively address complainants' concerns.
- 3) REDD+ recipient countries should provide information through the SIS regarding anti-corruption rules and safeguards for effective REDD+ implementation** The SIS should document information including but not limited to challenges and recommendations from REDD+ corruption risk assessments, national and local level actions to tackle corruption and their effectiveness, anti-corruption policies and practices of REDD+ implementing agencies, and sanctions for corruption and fraud.
- 4) REDD+ recipient countries should ensure that the SIS is both accessible and the disclosure of information is open and meaningful for REDD+ affected stakeholders and local communities.** The SIS should increase access to information on REDD+ financial flows and governance. Efforts should be made to communicate information in a meaningful way to all actors; for this information should be provided at multiple levels and locally appropriate formats, including in local languages.
- 5) REDD+ recipient countries should ensure that a formal, independent and permanent multi-stakeholder review mechanism of the SIS be established.** This mechanism will afford communities and civil society an opportunity to assess the quality of the information relayed, noting whether such information enabled them to more effectively participate in decision making processes.

The Safeguards Information System presents an opportunity to address some of the governance challenges and corruption risks that currently exist for REDD+ finance management and implementation on the ground. As such, **Transparency International believes it is crucial that the SBSTA include within its guidance to the UNFCCC recommendations that will ensure that the SIS can serve as an effective tool for anti-corruption.** Set out below is further information and background on each recommendation.

Background and rationale for recommendations

1) Reporting on stakeholder engagement

The REDD+ Safeguards include assurance of the “*full and effective participation of relevant stakeholders*”. Transparency International research and monitoring of project implementation has shown that **consultation processes that are a requirement under REDD+ and climate finance projects are too often lacking or insufficient**.¹

Although UN-REDD, FIP and the FCPF have guidelines in place, consultation processes at the national level need to be strengthened, and a greater emphasis should be placed on continued engagement so citizens can understand what information to request, how it can be requested and how it can be used to hold decision-makers to account. In particular, the SIS should make information available regarding the type of consultation processes developed, the number of consultations taking place, the stakeholders participating, and crucially; information on how stakeholders’ views and concerns have been incorporated into REDD+ project and policy development and implementation. The engagement of relevant stakeholders is crucial to an effectively functioning SIS from the very beginning, and as such the definitions and indicators to be reported under the national systems should be developed with an extensive consultation process involving REDD+ stakeholders at all levels.

2) Reporting on the effectiveness of REDD+ grievance mechanisms

The REDD+ Safeguards can only be effectively addressed and respected if REDD+ stakeholders are provided with a safe and independent channel through which to air grievances and seek redress. Any effective redress mechanism² should be:

- **Accessible:** include outreach and awareness raising and channels that are appropriate to the local context.
- **Safe:** include provisions to ensure anonymity and protection to whistle-blowers.
- **Independent:** guaranteed impartiality and consistent and objective approach.
- **Transparent:** whilst maintaining anonymity of complainants there should be periodic disclosure on types of complaints received and actions and performance in addressing them.
- **Responsive:** complaints should be dealt with in an efficient and timely manner and complainants should receive regular updates on the expected timeline and actions to be taken.
- **Effective:** there should be clear guidelines in place for sanction and redress.
- **Well-coordinated:** backed up by a solid referral system.

As well as serving as a means to detect and deter corruption, a well-functioning accountability system can serve to lend greater legitimacy to projects and project actors by assuring citizens that they are valued stakeholders with ownership and a voice in the projects that affect them. The SIS could serve as a vehicle to provide periodic reporting on the complaints that have been processed through grievance mechanisms. This will allow independent monitoring by stakeholders, ensure adequate follow up, and ensure that trends and challenges are identified and addressed.

3) Reporting on anti-corruption standards and actions

Transparency International research into the governance of REDD+ in recipient countries has revealed challenges in terms of the transparency and accountability of developing REDD+ policy and project

¹ See for example Transparencia Mexicana research highlighting weaknesses in practice of consultations carried out under the Clean Development Mechanism in Mexico,

www.transparency.org/news/feature/just_ticking_a_box_clean_development_consultations_in_mexico

² See Transparency International briefing paper on complaints mechanisms for climate finance and REDD+ projects, www.transparency.org/files/content/event/2013_CFIPIntegrityTalks_ComplaintsMechanisms_Outcomes.pdf

implementation, and highlighted concerns regarding risks of corruption³. TI's governance assessments of the major multi-lateral REDD+ funding mechanisms, the UN-REDD Programme, the Forest Carbon Partnership Facility and the Climate Investment Fund's Forest Investment Programme⁴ show the funds are making progress on various fronts such as by supporting and guiding the establishment of grievance redress mechanisms at the national level. However, gaps still exist in terms of transparency at the policy level and in particular sanctions for corruption. Currently the FCPF and UN-REDD do not ensure that information regarding the anti-corruption rules and safeguards of delivery partners and national-level focal points readily accessible at the fund level.

The Safeguards Information System presents an opportunity to address some of these gaps to ensure **the SIS can serve as an effective tool for anti-corruption**. Information made available through the SIS on anti-corruption standards and actions should include but not be limited to:

- Challenges and recommendations reached through participatory REDD+ corruption risk assessments⁵;
- National and local level commitments and actions to tackle corruption and their effectiveness;
- Information on anti-corruption rules and safeguards of REDD+ implementing agencies ;
- Sanctions and remedial actions implemented in response to cases of corruption and fraud.

4) Increasing access to information and disclosure

The Cancun Safeguards include a commitment to “*transparent and effective national forest governance structures*”. TI's research has shown significant challenges for civil society in REDD+ recipient countries to access timely, relevant and complete information on REDD+ financial flows and decision making processes⁶.

TI National Chapters in five REDD+ recipient countries⁷ have mapped climate finance flows and have encountered significant challenges in accessing complete and coherent information at all levels. Problems included; inadequate budget classification systems, contradictory financial information supplied by different sources, and discrepancies in co-financing information and a lack of disclosure of contracts and subcontracts with implementing actors (subnational entities and/or private actors).

In terms of the governance of climate and REDD+ funds, further challenges can be highlighted; REDD+ risk assessments conducted by TI Chapters in Indonesia, Vietnam and Papua New Guinea highlight policy capture and cronyism as red flags in a context where accessing relevant information on REDD+ readiness processes and activities proved difficult, even for civil society groups who have more knowledge on how to manoeuvre through the system. Access to information for those directly affected by the decisions being made is a far greater challenge to be tackled. High rates of illiteracy and the remoteness of affected communities make it difficult to ensure that adequate information and understanding of REDD+ processes is held at the local level.

TI governance assessments of the multilateral REDD+ funds further highlight some challenges in accessing information. A draft Programme-wide information disclosure policy for the UN-REDD Programme which favours disclosure, sets out clear timelines for the processing of requests, and puts forth a clear appeals mechanism remains a draft whilst the existing policies of UNEP as one of its core partners continue to gather critique.⁸ The FCPF does not make details on financial reporting within the fund available relying instead on providing overviews of financial information.

³ See Transparency International corruption risk assessments for REDD+ implementation in Indonesia, Vietnam and Papua New Guinea, www.transparency.org/news/feature/to_conserve_forests_climate_funds_must_cut_out_corruption and assessments of climate governance in Mexico, Peru, Bangladesh, the Dominican Republic and Kenya

⁴ www.transparency.org/news/feature/keep_corruption_out_to_halt_climate_change
www.transparency.org/news/feature/climate_change_funds_safe_from_corruption

⁵ See for example UN-REDD REDD+CRA www.unredd.net/index.php?option=com_docman&task=doc_download&gid=8322 and Transparency International's REDD+ risk assessment manual: www.transparency.org/whatwedo/pub/keeping_redd_clean

⁶ <http://blog.transparency.org/2013/08/02/redd-what-you-see-isnt-always-what-you-get/>

⁷ Mexico, Peru, Bangladesh, Kenya and the Dominican Republic

⁸ www.wri.org/blog/2014/06/unep%E2%80%99s-new-access-information-policy-falls-short-true-transparency

The SIS provides an opportunity to significantly increase transparency for REDD+ stakeholders at the national level. In order to meaningfully increase access to information to enhance accountability to and engagement of stakeholders, the SIS should ensure that:

- Information is collected and published regularly and made publically available at multiple levels. Locally information should also be meaningfully accessible to communities and indigenous peoples by publishing in appropriate formats and local languages.
- Information on financial commitments and disbursements from Annex I countries are effectively harmonized with REDD+ recipient countries' reporting.
- Information on the financial resources invested in the development, diffusion, establishment, and all activities involved in the construction and performance of the national SIS is made available.
- Information on decision making processes at the local and national level is made readily available.
- Information is disaggregated to portray the accomplishment of safeguards at national and local levels.
- Project related information including contracts and subcontracts with implementing agencies, project audits and evaluation reports should be actively disclosed.

5) Establishment of an independent review mechanism of the SIS

There should be a formal review mechanism process whereby communities and civil society could assess the quality of the information relayed, noting whether such information enabled them to more effectively participate in decision making processes. This function could be performed by a multi-stakeholder body in charge of reviewing the information collected through the SIS. The review of information collected through the SIS will ensure the validity of information presented, allow a channel for whistle-blowers and local communities to contribute where they may not be inclined to through the formal SIS process, and overall ensure compliance with the agreed requirements for results-based payments and the agreed Safeguards on full and effective participation of relevant stakeholders.