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SAFEGUARDING REDD+ FINANCE

Ensuring transparent and accountable international financial flows

February 2012





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Global Witness' Environmental Governance team campaigns for effective, accountable and sustainable governance of forests, land and other environmental resources that maintains vital ecological functions, respects the rights of local communities and offers long term development benefits.

This report is based on publicly available and up-to-date information to the best of the authors' knowledge at the time of research and writing.

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Executive summary

The Cancun Agreements include guidance and safeguards for REDD+¹ that focus on social and environmental risks, addressing governance, maintaining environmental integrity and ensuring the participation and upholding of stakeholders' rights particularly in relation to indigenous peoples and local communities (see Attachment 1). But safeguards addressing fiduciary risks and financial transparency for REDD+ are limited. Consequently there is a need for detailed consideration of the measures required to ensure effective, transparent and accountable financial flows for REDD+.

Global Witness has reviewed a selection of existing international multilateral funding mechanisms from developed to developing countries to assess how financial flows for REDD+ might best be managed. This included those in the forest and climate sectors and also the Global Fund to Fight AIDS, Tuberculosis and Malaria, which offers an interesting, potentially adaptable model. Global Witness' experience of working on aid financial flows and the corruption risk these pose also underpins the analysis conveyed in this paper.²

Recognising that REDD+ financial flows will need to increase significantly in the future, and given that the framework for this under an international climate change agreement remains unclear, Global Witness intends this paper to offer useful lessons learned and recommendations for the refinement and establishment of REDD+ funding mechanisms. These recommendations address the design features for any new global financing mechanism to limit misrepresentation, misappropriation and corruption of financial flows and, conversely, which features appear to enhance transparency, accountability and efficiency in financial flows. Whilst we looked at efficiency, we have not reviewed effectiveness across the funds – i.e. to what extent the projects being supported by these funds are actually delivering their objectives on the ground. We do, however, focus on how performance-related criteria could and should be locked into the financial flow system. Carbon market finance, which has not been agreed yet and which brings significant fiduciary risk, is not the subject of this briefing.

Major findings and recommendations are:

Multilateral funds are envisaged as playing a significant future role in REDD+ efforts and probably offer a greater chance of delivering funding to a wide range of countries than bilateral funding. There remains concern, however, about the ability of existing multilateral institutions to disburse and monitor those funds according to the highest fiduciary standards. Furthermore, the REDD+ public finance sector could usefully adopt best practice from the development aid sector, particularly on transparency of funding and finance.

This paper provides a detailed consideration of the measures required to ensure robust, efficient and accountable procedures for REDD+ financial flows. Adoption of these measures would improve both the governance of existing funds and the design and implementation of any new international funding mechanism.

¹ REDD+ refers to the international mechanism agreed at the December 2010 UN climate change conference in Cancun, Mexico, to reduce emissions from deforestation and forest degradation, and address the role of conservation, sustainable management of forests and enhancement of forest carbon stocks.

² For background on Global Witness' campaign work on increasing aid effectiveness, see <http://www.globalwitness.org/campaigns/corruption/effective-aid>

These recommendations address the need to:

- (i) Improve transparency on commitments and disbursements, for example adopting the International Aid Transparency Initiative best practice on aid flows to REDD+ flows,³ and consolidating existing REDD+ databases into a single financial tracking and reporting system consistent with the OECD Credit Reporting System.⁴
- (ii) Improve transparency on decision-making, such as making key documents and reasons for decisions publicly available and opening meetings to observers, including through live webcast where possible.
- (iii) Improve accountability, such as consulting and involving civil society organisations, indigenous peoples and local communities on the board or committee responsible for overall decision-making and financial control of REDD+, involving these groups in oversight mechanisms, and creating a redress mechanism such as an ombudsman scheme. Another useful measure would be to adopt standardised preparation of financial accounts for the international mechanism and all implementing agencies, with public disclosure and independent audit by accredited financial auditors.
- (iv) Improve efficiency, such as establishing a coordination entity within REDD+ recipient countries to define REDD+ needs and match these to donor capabilities, and capacity building specifically on fiduciary safeguards. Adopting minimum fiduciary standards for implementing agencies, with specific criteria for assessment and procedures for addressing shortfalls, allows a variety of implementing agencies to be accredited to disburse funds in different countries or regions.
- (v) Minimise the risks of misappropriation and poor practice by private sector actors involved in spending REDD+ finance by sharing information regarding blacklisted companies between multilateral and bilateral institutions involved in REDD+, and requesting that any company involved in or benefitting from REDD+ finance be required to publish details of its beneficial ownership.

³ *Bangkok Call for Action*, 2010, developed at the Asia-Pacific Climate Change Finance and Aid Effectiveness dialogue held on 19–20 October 2010. See <http://www.oecd.org/dataoecd/57/27/46517810.pdf>

⁴ Similar to the 'Rio Markers' currently used to identify ODA commitments that are related to climate change mitigation and adaptation (qualitatively assigned a score from "0 = not targeted" to "1 = significant objective" or "2 = principal objective") - see http://www.oecd.org/document/6/0,3746,en_2649_34447_43843462_1_1_1_1,00.html

Introduction

Substantial funds have been committed in recent years in a renewed global effort to reduce emissions of greenhouse gases from deforestation and forest degradation in developing countries, and to enhance the carbon dioxide storage capacity of their forests. Funding for the initial policy reform and preparation phase of REDD+ (Phase 1) is already underway. Approximately US\$7 billion has been committed for REDD+ since 2008.⁵ Most (but not all) of this funding originates in developed countries and is spent in developing countries.⁶

At present REDD+ efforts are most advanced in bilateral arrangements such as those between Norway and Brazil⁷ and between Norway and Indonesia.⁸ In total, Indonesia receives 30% of all country-specific funding for REDD+, followed by Brazil with 23%.⁹ These two countries represent almost 40% of the world's total carbon stock in living biomass and contain approximately 30% of the total area of land deforested in 2010.¹⁰ Current financial flows from bilateral sources have, not surprisingly, been concentrated here. However, in moving forward it can be assumed that multilateral funds and carbon markets will play a larger role in REDD+ efforts. Although the application of carbon market finance to REDD+ has yet to be agreed, it has nevertheless already been the subject of numerous analyses and the significant fiduciary risks it raises are well known. For these reasons, carbon markets are not the subject of this paper, along with the fact that it is likely to be multilateral funds that will have the highest chance of delivering funding to a wide range of countries. This can already be seen with the FCPF and UN-REDD, which have provided funding for REDD+ preparation to at least 16 different countries, whereas bilateral funding has been concentrated in only a few of these.

The emergence of new financial flows raises risks of possible misrepresentation, misappropriation and inefficient allocation. This is particularly relevant for REDD+, as the forest sector has a long association with corruption and illegality and many REDD+ recipient countries score poorly on common governance indices.

Misrepresentation of financial flows

REDD+ financial flows – like other financial flows – can be misrepresented in a wide variety of ways, resulting in an unclear picture of the actual flows. The existence of multiple pathways, involving many different intermediaries and co-mingling of flows from a range of sources towards any one recipient (country or fund), raises the possibility (intentional or otherwise) of REDD+ funds being counted multiple times, resulting in the reported or perceived scale of REDD+ financial flows being greater than actual flows. There is also the risk that countries may adopt different definitions for distinguishing between REDD+ financing and official development assistance (ODA), leading to counting the same funding towards both ODA and REDD+. This may also lead to existing flows simply being re-packaged as REDD+ finance.

⁵ Markku Simula, 2010. *Analysis of REDD+ Financing Gaps and Overlaps*, Washington, DC, USA: REDD+ Partnership

⁶ The current economic climate of fiscal austerity, however, throws some doubt on the extent to which these committed funds will actually be disbursed.

⁷ Through Norway's investment in Brazil's central bank, BNDES, which manages the Amazon Fund

⁸ See the Letter of Intent between the Government of the Kingdom of Norway and the Government of the Republic of Indonesia on "Cooperation on reducing greenhouse gas emissions from deforestation and forest degradation", May 2010. Available at http://www.norway.or.id/PageFiles/404362/Letter_of_Intent_Norway_Indonesia_26_May_2010.pdf

⁹ See Markku Simula, 2010, *Analysis of REDD+ Financing Gaps and Overlaps*, Final Draft prepared for the REDD+ Partnership, page 36

¹⁰ *Ibid.*, at page 52

Misappropriation

Previous reports by Global Witness¹¹ are part of a growing literature that discusses theft and misappropriation of REDD+ finance as a risk for an effective REDD+ regime – such as claiming money for projects that do not exist, the manipulation of baseline carbon data or the monitoring of avoided emissions to over-claim REDD+ payments.¹²

Inefficiencies

Risks associated with inefficient allocation of resources may impede the effective flow of REDD+ finances and present opportunities for misappropriation or contribute to misrepresentation of financial flows. Such inefficiencies may result from poor organisational structures, high transaction costs, overlaps and gaps in funding, stagnant funds, over-allocation, poor quality of information for policy-making and inadequate human resources.

¹¹ See *Understanding REDD+: Governance, Enforcement and Safeguards in Reducing Emissions from Deforestation and Forest Degradation*, Global Witness (December 2010), and *Forest Carbon, Cash and Crime: The Risk of Criminal Engagement in REDD+*, Global Witness (September 2011)

¹² See, for example, Tacconi, L., Downs, F. & Larmour, P., *Anti-corruption policies in the forest sector and REDD+*. In M. Brockhaus, ed., 2009, *Realising REDD+: National strategy and policy options*. Bogor Barat, Indonesia: Center for International Forestry Research (CIFOR), pp. 163–174; Brown, M.L., 2010, *Limiting Corrupt Incentives in a Global REDD Regime*. (Ecology Law Quarterly 2010, 37(1), p.237-268); Larmour, P., 2010, *Corruption in REDD+ Schemes: A Framework for Analysis*. Working paper, Crawford School, The Australian National University; Bofin, P. et al., 2011, *REDD Integrity: Addressing governance and corruption challenges in schemes for Reducing Emissions from Deforestation and Forest Degradation (REDD)*, Bergen, Norway: U4 Anti-Corruption Resource Centre; and Transparency International website at: <http://www.transparency.org/>.

Brief overview of existing REDD+ funds

In this section we examine the governance structure and financial safeguards associated with a number of existing multilateral and bilateral REDD+ initiatives and partnerships. Diagrams show the pathways of each fund's financial flows.¹³

Currently, most REDD+ funds are delivered in the form of grants from a number of bilateral and multilateral funds. Many have low disbursement rates relative to pledged funds, but this may be simply a function of ramping up. Additionally, different funds exist for different purposes. A variety of different funding pathways and governance structures is evident across the existing REDD+ funds. These are outlined below and, based on operations to date, assessed on general transparency, accountability and efficiency grounds.

UN-REDD

Pledged¹⁴	\$153 million	Deposited	\$118 million
Approved	\$137 million	Disbursed	\$117 million

The UN-REDD programme¹⁵ was launched in September 2008 as a Multi-Donor Trust Fund (MDTF) by the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP) and the Food and Agriculture Organization (FAO). The programme comprises two main components: support for National Programmes to develop REDD+ strategies and readiness processes in target countries, and a Global Programme that contributes to the development of common approaches, analyses, methodologies, tools, data and guidelines for national REDD+ readiness processes.

The UN-REDD Policy Board is responsible for oversight, strategic direction and financial allocations, and is composed of voting members including representatives from REDD+ countries, donors, one civil society organisation (rotating between four representatives from the three regions and developed countries), one organisation representing indigenous peoples and the programme's implementing agencies (FAO, UNDP and UNEP). Non-member countries may participate as observers, while the UNFCCC secretariat, the Global Environment Facility (GEF) secretariat and the World Bank are permanent observers. Global Witness has served as the representative of civil society from developed countries on the UN-REDD Policy Board since 2009.

The fund has adopted a two-tiered funding approach, with funding under the UN-REDD programme itself as Tier 1 while other activities can be undertaken jointly or individually by separate bilateral or multilateral REDD+ funding sources (Tier 2). This allows donors to contribute to individual activities or programme components.

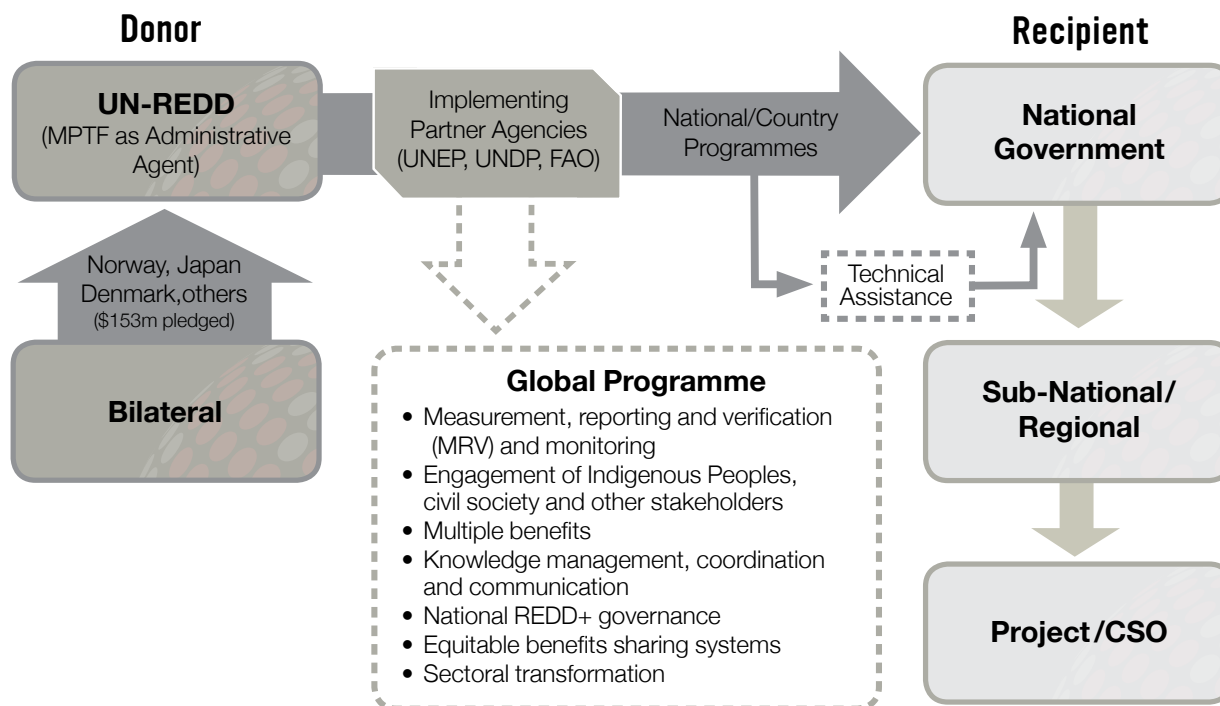
¹³ Tables for each fund show the total amounts pledged and deposited to that fund and approved and disbursed by it. These amounts are accurate to the best of the authors' knowledge at the time of writing. Figures were cross referenced between the funds' own websites, the Climate Funds Update website, and the REDD+ Partnership's Voluntary Database. In some cases, however, inconsistencies were found between these sources. Where possible, the authors sought confirmation through personal communications with members of the fund's staff. Despite any possible inconsistencies, the figures are indicative of the scale of funding support and disbursement rates, and remain useful for comparative purposes between funds.

¹⁴ Table figures from UNDP Multi-Partner Trust Fund Gateway and Climate Funds Update, correct as of January 2012. Deposited, approved and disbursed figures confirmed by personal communications with Multi-Partner Trust Fund Office staff, pledged figure confirmed by personal communications with UN-REDD Secretariat, both January 2012. Available at: <http://mdtf.undp.org/factsheet/fund/CCF00> and <http://www.climatefundsupdate.org/listing/un-redd-programme>

¹⁵ For further information on the UN-REDD programme, see www.un-redd.org

To improve financial administration, the programme uses UNDP’s Multi-Partner Trust Fund Gateway website to provide up-to-date information on the UN-REDD programme’s financial accounts, donor contributions, expenditures and delivery rates (expenditure divided by transfers).¹⁶ Tier 2 also allows for bilateral funds to be channelled through UN-REDD for specific activities that help improve coordination and prevent overlap.

UN-REDD programme financial flows



Source: Climate Funds Update (2011)

There is concern, however, that the implementing partners (FAO, UNDP and UNEP) do not meet all 11 core areas of the minimum fiduciary standards of the Global Environment Facility (discussed below), although they have produced action plans to address these gaps. Further, the tiered arrangement, if not tracked properly, could lead to misrepresentation of funds (double-counting of financial flows from various sources).

Forest Carbon Partnership Facility (FCPF)

Pledged¹⁷	\$434 million	Deposited	\$430 million
Approved	\$26 million	Disbursed	\$12 million

The FCPF,¹⁸ which became operational in June 2008, channels its funding through a Readiness Fund – to assist selected countries in preparing for REDD+ (Phases 1 and 2) – and a Carbon Fund – to remunerate a smaller group of countries in accordance with contracts for verifiable emissions reductions achieved (Phases 2 and 3).

The FCPF is managed by a 28-member Participants Committee, made up of the REDD+ country participants and financial contributors, and observers (representing forest-dependent indigenous peoples and local communities, NGOs, international organisations, private sector entities, the

¹⁶ <http://mdtf.undp.org/factsheet/fund/CCF00>

¹⁷ Table figures from Climate Funds Update, correct as of January 2012 and confirmed by personal communications with World Bank staff. Available at: <http://www.climatefundsupdate.org/listing/forest-carbon-partnership-facility>

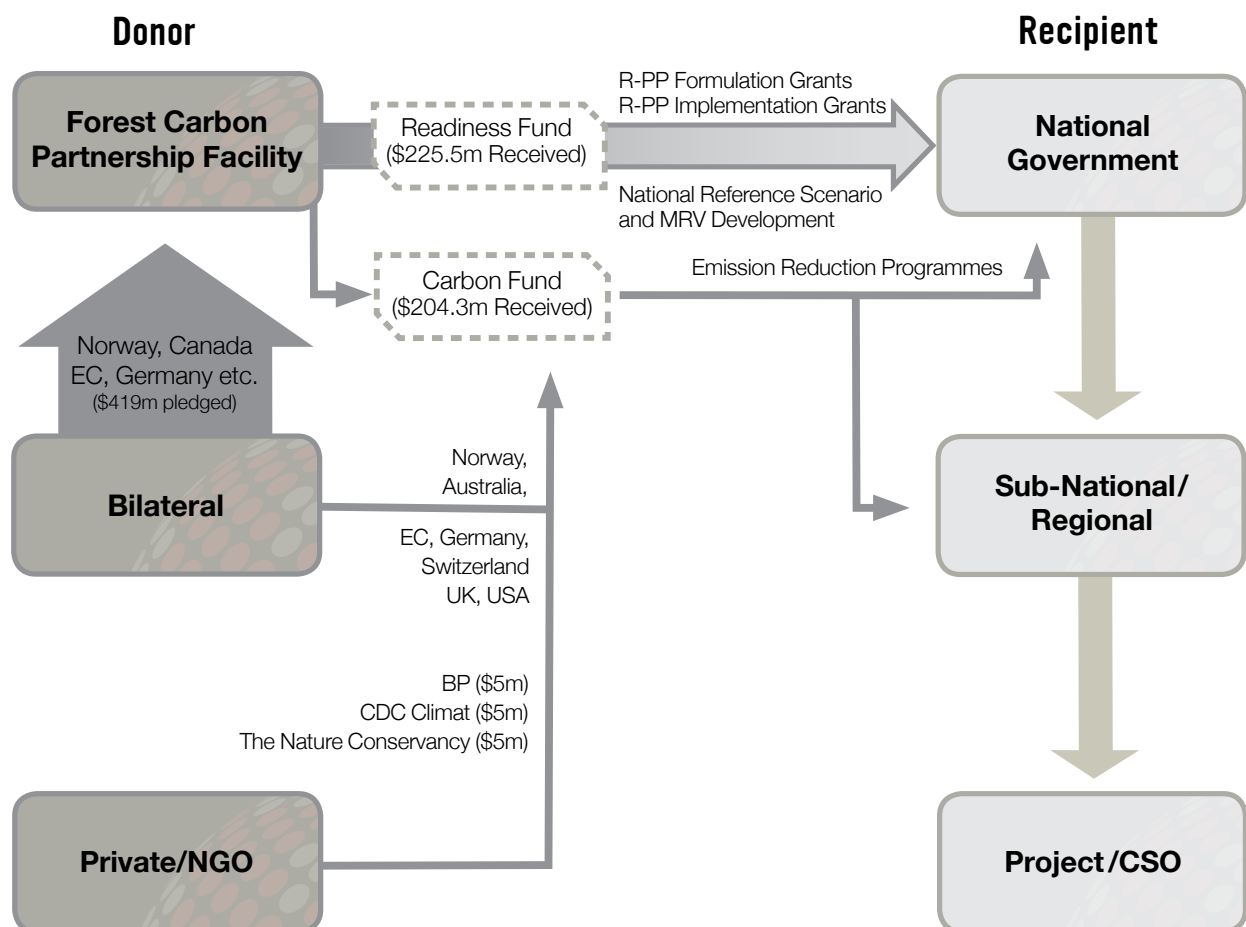
¹⁸ For further information on the Forest Carbon Partnership Facility, see www.forestcarbonpartnership.org

UN-REDD programme and the UN Framework Convention on Climate Change Secretariat). Representation by a range of participants is intended to ensure a balance of power in decision-making. The FCPF seeks to main best practice procedures and standards by ensuring that in cases of joint co-financing arrangements, where there is co-mingling of funds from the World Bank with funds from other donors, the donors and the government are to agree on which procedures and safeguards will apply, in accordance with the principle that the most stringent rules apply to all donors.

The FCPF is also looking to improve efficiency by engaging with a variety of funding sources, including bilateral donors, private sector and civil society.

As funds managed by the World Bank, both the Readiness Fund and the Carbon Fund are subject to the World Bank’s financial safeguards, fiduciary controls and other relevant independent financial audit by the World Bank’s auditor (currently KPMG) as part of the World Bank Single Audit process. The World Bank safeguards, however, are not in our view adapted to a REDD+ context (but instead are more suited to large infrastructure projects rather than small, rapid payment transfers for REDD+ preparation activities). This risks slowing down financial flows and creating bottlenecks, evidenced by the small amount of funds approved and disbursed by the FCPF so far compared to the larger amounts pledged and deposited. To address this, the World Bank’s Board has adopted Strategic Environmental and Social Assessments, although at this early stage these remain largely untested in FCPF activities. Further, readiness grants for country participants (up to \$3.6 million) have been underestimated and are proving to be insufficient for readiness and implementation purposes.

Forest Carbon Partnership Facility financial flows



Source: Climate Funds Update (2011)

Forest Investment Program

Pledged ¹⁹	\$611 million	Deposited	\$407 million
Approved	\$46 million	Disbursed	\$14 million

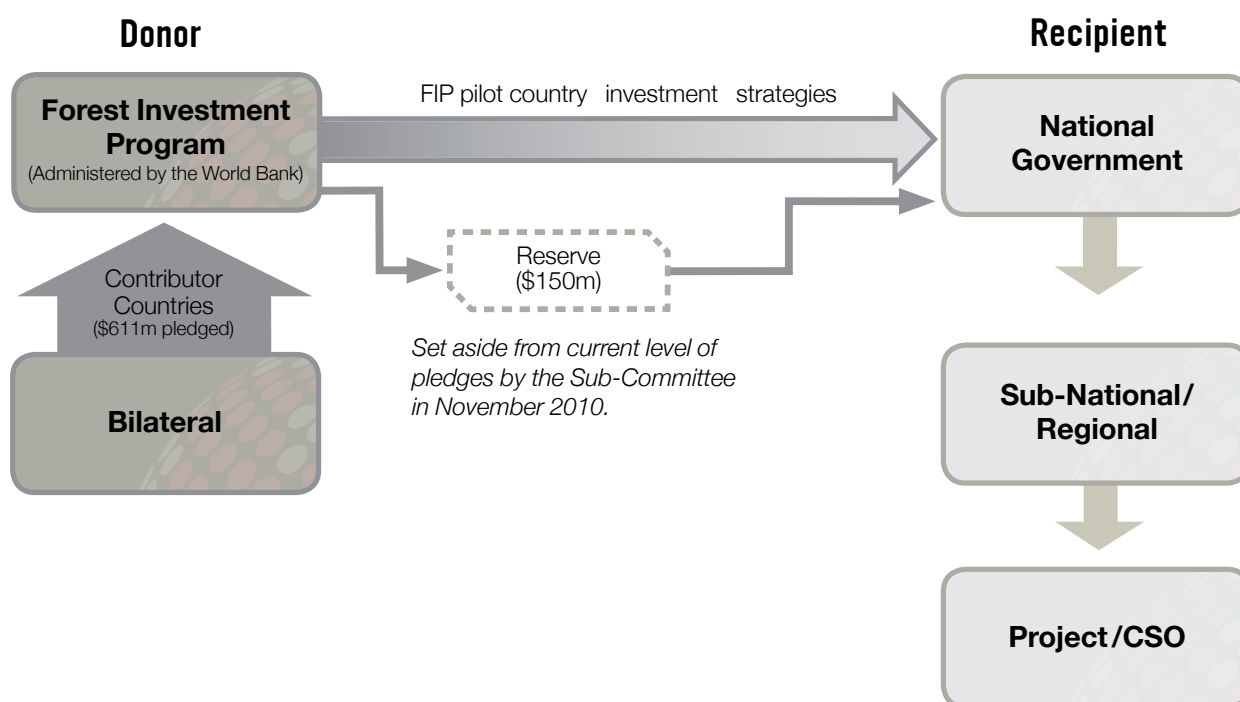
The objective of the Forest Investment Program (FIP)²⁰ is to support REDD+ countries by providing upfront financing for readiness reforms and investments identified through their national REDD+ readiness strategy, while taking into account adaptation and multiple benefits. This fund was made operational in July 2009. An initial piloting phase involves eight countries.

The FIP Sub-Committee is the decision-making body that oversees and decides on the activities of the FIP. It has equal representation between contributor and recipient countries, plus two civil society observers (Northern and Southern), two indigenous peoples observers and two private sector observers. In January 2012 Global Witness was selected as the Northern civil society observer, following an election amongst its peers. Global Witness will first assume this role at the meeting of the FIP in April 2012.

The Multilateral Development Banks (MDBs) will play a key role in FIP financial flows and their oversight, with each country selecting the appropriate MDB to process the individual operations under its FIP Investment Strategy. The FIP governing body has established safeguards that must be applied by the MDBs in addition to their own policies.

The financial flows for the FIP, illustrated in the figure below, reflect existing pilot activities. Where and how the remaining funds are channelled remains to be seen, but the World Bank and regional development banks are likely to be used as intermediaries in the FIP's financial flows.

Forest Investment Program financial flows (pilot phase)



Source: Climate Funds Update (2011)

¹⁹ Table figures from personal communications with FIP staff (pledged, deposited and approved figures) and Climate Funds Update (disbursed), correct as of January 2012. Climate Funds Update figures available at: <http://www.climatefundsupdate.org/listing/forest-investment-program>

²⁰ For further information on the Forest Investment Program, see www.climateinvestmentfunds.org/cif/node/5

Engaging MDBs as intermediaries could strike a balance between country ownership and ensuring financial accountability. Financial flows are, however, vulnerable to any inefficiencies in the MDBs. Processing the FIP investment strategies through different MDBs, each following their own investment lending policies and procedures, can lead to a lack of coherence and application of different standards. There may also be increased transaction costs since funds flow through two intermediaries (the World Bank as the administrator and then the MDB).

There is also the risk that since the FIP is a funding mechanism parallel to the FCPF rather than integrated with it this may lead to a lack of coherence, creating overlaps and gaps.

Congo Basin Forest Fund

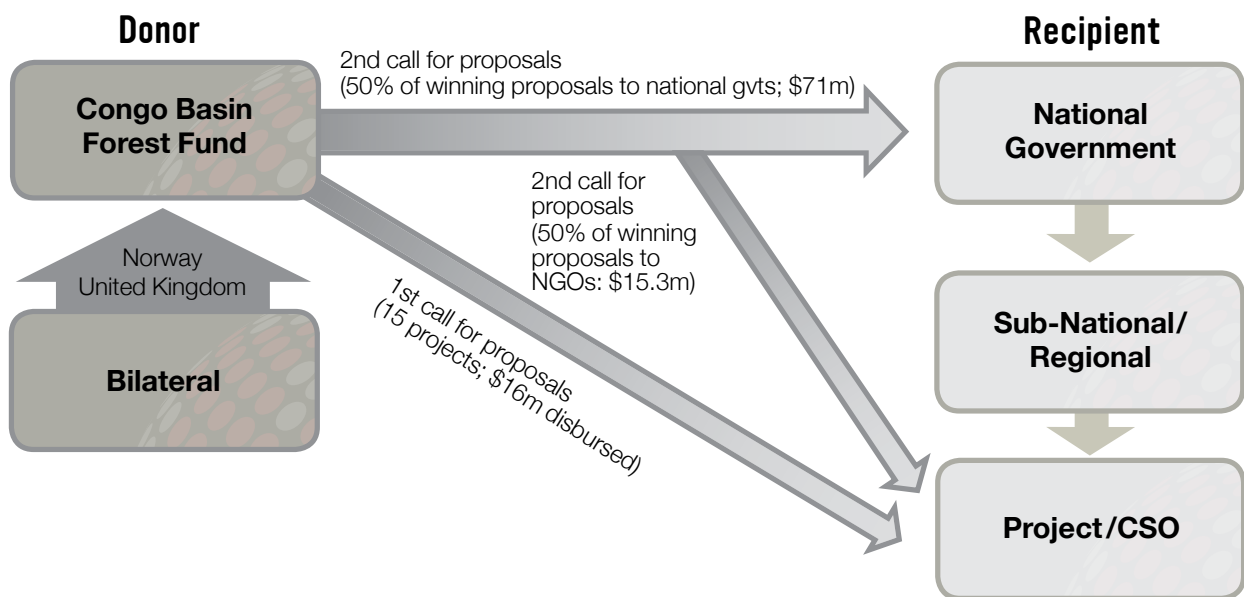
Pledged²¹	\$165 million	Deposited	\$109 million
Approved	\$117 million	Disbursed	\$16 million

The Congo Basin Forest Fund (CBFF)²² was launched in June 2008 to develop the capacity of the people and institutions of the Congo Basin to conserve and sustainably manage their forests. The fund is administered by the African Development Bank (AfDB) and the overall goal of the CBFF is to alleviate poverty and address climate change through reducing the rate of deforestation and forest degradation. Representation by a range of stakeholders is intended to ensure a balance of power in decision-making.

The CBFF's first call for proposals to receive funding, in 2008, resulted in the approval of fifteen projects focused on REDD+ demonstration (all proposed by NGOs). In the second call, in 2010, the CBFF allocated approximately 80% of funding to member country governments or institutions of the Central African Forest Commission (COMIFAC), with 20% of funding allocated to NGOs.²³

The CBFF has the advantage of allowing projects direct access, thereby reducing the risk of misrepresentation and double-counting. The direct access approach, however, may leave financial flows vulnerable to misappropriation risks, particularly because the AfDB relies on third-party safeguards and fiduciary risk assessments.

Congo Basin Forest Fund's REDD+ funding model



Source: CBFF Website (2011)

²¹ Table figures from personal communications with CBFF staff and Climate Funds Update, correct as of January 2012. Approved figure refers to project spending endorsed by the CBFF Governing Council. Exchange rate used: 2009 annual average (Oanda Currency Converter).

²² For further information on the Congo Basin Forest Fund, see www.cbf-fund.org

²³ See 'Winning Proposals' section of CBFF website, available at <http://www.cbf-fund.org>.

The Amazon Fund

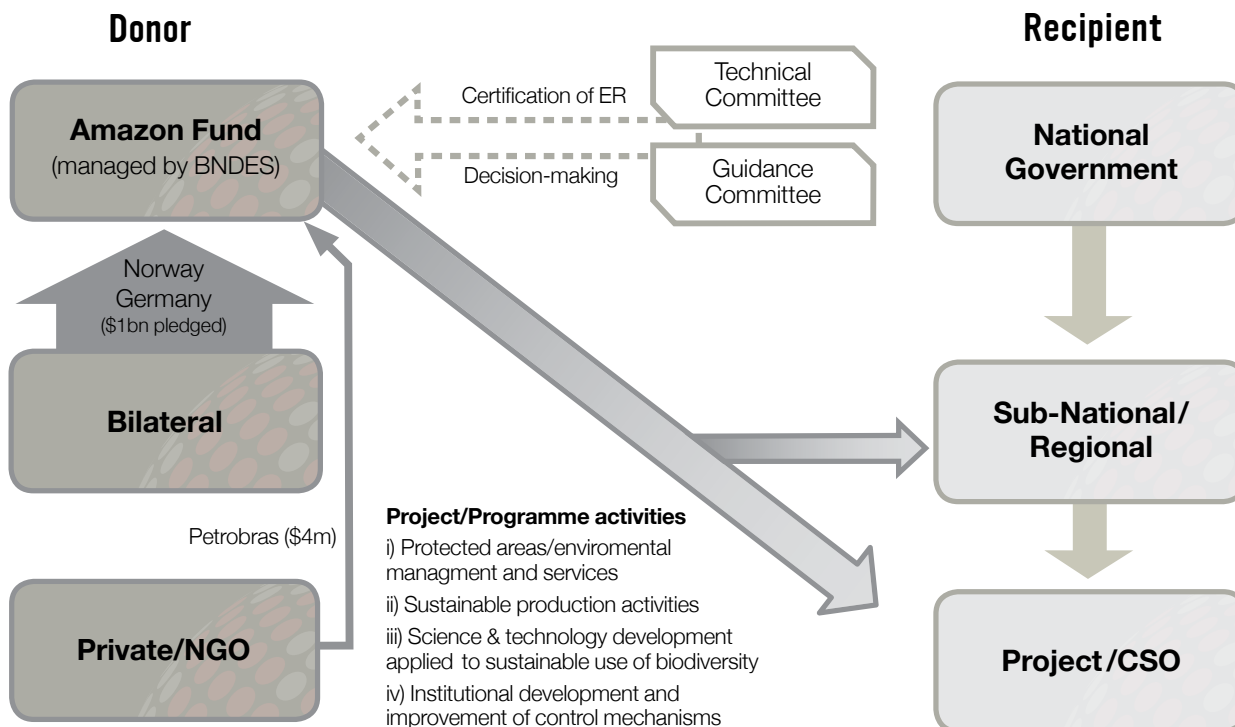
Pledged ²⁴	\$1,032 million	Deposited	\$57 million ²⁵
Approved	\$139 million	Disbursed	\$39 million

The Amazon Fund²⁶ was launched in 2008 following the Brazilian president's announcement of Brazil's commitment to reduce Amazon deforestation by 80% below its historic baseline over the following ten years. The main objective of the Fund is to invest in efforts to prevent, monitor and combat deforestation, and promote preservation and sustainable use of forests in the Amazon biome. The Brazilian Development Bank (BNDES) is the fund manager, while a Technical Committee certifies emissions reductions.

The Guidance Committee of the Fund consists of three groups – the federal government, state government and civil society, ensuring a balance of power in decision-making. Civil society has a strong role on this committee, with six organisations represented. Decisions are made by consensus, with civil society having a vote.

The direct financial flows between donor governments and BNDES²⁷ reduce transaction costs, although there are inefficiencies since BNDES must request funds from the donors every year based on estimates of how many projects will receive funding from the Amazon Fund (and how much). Since the funds are held by the donors, this affects country ownership of the Amazon Fund and influences the predictability of financial flows due to year-on-year transfers. Bureaucratic and legal bottlenecks have also been encountered with the Fund's application, leading to slow disbursement.

Amazon Fund financial flows



Source: Climate Funds Update (2011)

²⁴ Table figures from Climate Funds Update, correct as of January 2012. Available at: <http://www.climatefundsupdate.org/listing/amazon-fund>

²⁵ The reason for this discrepancy between the amount deposited and the amount approved is unclear, although we suspect more funds have been approved than deposited because of the grant cycle reaching the point where the Brazilian Development Bank (BNDES) is awaiting funds from the donors.

²⁶ For further information on the Amazon Fund see www.amazonfund.org

²⁷ The majority of funds come from Norway, with some from Germany.

Brief overview of non-forest funding

Global Environment Facility (GEF)

The GEF²⁸ promotes a set of minimum fiduciary standards for the implementing agencies responsible for the disbursement of its funds.²⁹ The eleven core areas of the minimum fiduciary standards demonstrate a way to overcome issues of comparability and compatibility across various implementing and executing agencies/institutions (even within the UN or World Bank) by having them agree on a set of minimum standards for fiduciary controls and financial safeguards.³⁰

In the case of REDD+ a similar outcome could potentially be achieved by having an overarching institution, such as the Green Climate Fund, to ensure a consistent set of strong standards. A major benefit of setting minimum standards is clarity for the recipient REDD+ country governments and institutions, because they would not have to demonstrate to each donor or implementing agency that they meet each of their respective fiduciary standards.

As of June 2010, only four agencies – the African Development Bank (AfDB), the European Bank for Reconstruction and Development (EBRD), the Inter-American Development Bank (IDB) and the UN Industrial Development Organisation (UNIDO) – met these minimum requirements in each category.³¹ While other implementing agencies have not reached the minimum standard in certain areas, they have developed action plans to demonstrate how they intend to do so. The three UN-REDD implementing agencies – UNEP, UNDP and FAO – are amongst those working towards meeting all 11 criteria. At the GEF Council meeting in May 2011, FAO reported to the GEF that it has achieved full compliance on procurement, investigations function and hotline and whistleblower protection, while making steady progress on the others.³² Both UNDP and UNEP reported that they expect to reach full compliance by early 2012, when they satisfy the ‘external audit’ criterion by adhering to International Public Sector Accounting Standards (IPSAS).³³

The Adaptation Fund

The Adaptation Fund³⁴ was launched in 2007 to finance adaptation projects and programmes in developing countries deemed particularly vulnerable to the impacts of climate change. It is financed by a levy on every Certified Emissions Reduction issued through the Kyoto Protocol Clean Development Mechanism. Although this provides a predictable self-financed funding stream, it is vulnerable to the state of carbon markets and the Clean Development Mechanism, and will not be sufficient to meet the adaptation financing gap.

²⁸ For further information on the Global Environmental Facility, see www.thegef.org

²⁹ See http://www.thegef.org/gef/fiduciary_standards

³⁰ The eleven core areas of the minimum fiduciary standards fall under the following headings: (1) External Financial Audit (2) Financial Management (3) Financial Disclosure (4) Code of Ethics (5) Internal Audit (6) Project Appraisal Standards (7) Procurement Processes and Guidelines (8) Monitoring and Project-at-Risk Systems (9) Evaluation Function (10) Investigation Function (11) Hotline & Whistleblower Protection. See Global Environment Facility, 2007. *GEF Policy Paper - Recommended minimum fiduciary standards for GEF implementing and executing agencies*, Washington, D.C., USA

³¹ See http://www.thegef.org/gef/fiduciary_standards

³² Global Environment Facility, 2011. *Agency progress on meeting the GEF fiduciary standards (GEF/C.40/Info.10)*, Washington, D.C., USA.

³³ Ibid

³⁴ For further information on the Adaptation Fund, see www.adaptation-fund.org

The Adaptation Fund engages civil society and finds ways to include stakeholders in consultative processes and projects, with a particular emphasis on the most vulnerable communities. It also integrates good practice on transparency of meetings by opening them to observers and the general public, making key documents available beforehand, providing a webcast for observers and holding regular sessions with civil society organisations to maintain an open and continuous dialogue. Developing countries also have a majority on the Fund's board, giving them a greater sense of ownership.

The Global Fund to Fight AIDS, Tuberculosis and Malaria

The Global Fund to Fight AIDS, Tuberculosis and Malaria,³⁵ created in 2002, is a mechanism that collects public and private contributions to finance grants for the prevention and treatment of HIV/AIDS, tuberculosis and malaria. The Global Fund's Board represents a positive model in equity and stakeholder engagement by bringing together donor and recipient governments, NGOs, the private sector and the communities affected by its activities. Widespread representation at the board level ensures that strategic decision-making is governed from multiple perspectives and based on a better understanding of the reality on the ground (rather than a perceived reality from evaluations and impact assessments).

The Fund seeks to ensure effective disbursement of funding by providing performance-based payments in tranches. Recent evidence, however, suggests there is room for improvement in monitoring performance, including in tracking and investigating the theft of drugs from government medical stores.³⁶

The Fund's Office of the Inspector General provides clear oversight over financial management and deals with allegations of corrupt practices. Some observers, however, contend that the Fund's oversight mechanisms are not strong enough to protect against wasteful spending, particularly in countries that have a well documented history of corruption and poor financial management.³⁷

³⁵ For further information on the Global Fund to Fight AIDS, Tuberculosis and Malaria, see www.theglobalfund.org

³⁶ Bate, R., 2010. *Do Aid Agencies Want to Know When Their Medicines Go Missing?* American Enterprise Institute for Public Policy Research, Health Policy Outlook (5)

³⁷ Salaam-Blyther, T., 2011. *The Global Fund to Fight AIDS, Tuberculosis, and Malaria: U.S. contributions and issues for Congress*, Washington, DC, USA: Congressional Research Service

Observed best practice

Based upon this review of existing REDD+ and non-REDD+ funds, the following best practices relevant to improving the effectiveness, transparency and accountability of REDD+ international financial flows can be identified:

- A clear set of minimum fiduciary standards (with specific criteria for assessment and procedures for addressing shortfalls), such as those promoted by the GEF, are applied across all implementing agencies involved in REDD+ financial flows.
- Financial accounts, donor contributions and expenditures are publicly available and up-to-date (e.g. UN-REDD MDTF).
- Meetings to govern REDD+ funds are open to observers and the general public, including media, and a webcast for observers is provided (as is the practice with the Adaptation Fund). Key documents are made available beforehand. The fund also holds regular sessions with civil society organisations, including representatives of forest communities, to maintain an open and continuous dialogue.
- There is a balance of power between donor and recipient countries in the decision-making process to disburse funds, with representation from civil society organisations, indigenous peoples and local communities (preferably in a voting capacity as occurs on the UN-REDD Policy Board).
- Allowing sub-national and local entities direct access to funds (bypassing national governments), when used appropriately and with stringent financial safeguards, is an effective way for REDD+ financial flows to reach project-level activities and reduce risks of misallocation at national level (e.g. the Congo Basin Forest Fund).
- Keeping the number of intermediaries between the source of money and its expenditure to a minimum avoids unnecessary transaction costs (e.g. the Amazon Fund).
- Payment in tranches dependent on performance ensures greater effectiveness of disbursed funding (e.g. the Global Fund to Fight AIDS, Tuberculosis and Malaria)
- The presence of an official independent investigative body, such as the Office of the Inspector General that oversees the Global Fund to Fight AIDS, Tuberculosis and Malaria, provides clear oversight over financial management and deals with allegations of corrupt practices.
- Predictable funding arrangements, over specified timeframes, will allow REDD+ recipient countries to prepare their activities with greater certainty and purpose. This is a benefit of the finance arrangement for the Adaptation Fund, while the lack of predictable funding arrangements for the Amazon Fund is one of its drawbacks.

It should also be noted that the International Aid Transparency Initiative (IATI),³⁸ a voluntary, multi-stakeholder initiative set up in the wake of the 2005 Paris Declaration on Aid Effectiveness and the 2008 Accra Agenda for Action, aims to make information about aid spending easier to find, use and compare. IATI offers a useful shared standard which could also be adapted and applied to REDD+ public financial flows.

³⁸ See www.aidtransparency.net for further information.

Future REDD+ funding

The third phase of REDD+ will involve payment for results in reducing greenhouse gas emissions from forest loss (Phase 3). At the recent climate change conference in Durban in December 2011 it was agreed that finance for results-based actions could come from a wide variety of sources, including public, private, bilateral, multilateral and alternative sources.³⁹ While the mode and procedures for delivery of finance are expected to be determined in 2012, the decision recognises a role for fund-based mechanisms in the longer term, and also possibly some new market-based approaches. Successful operation of a fund-based mechanism in Phase 3, however, would require increased attention to the fiduciary safeguards and governance described below, combined with attention to measures to ensure environmental integrity such as robust methodologies for measurement, reporting and verification of 'results'. It would also require sufficient human capacity at all levels to support project implementation, conduct measurement, reporting and verification and provide the necessary oversight and approvals.

To assist the development of funding frameworks for REDD+, Global Witness presents overleaf a number of recommendations. These address the design features for any new global financing mechanism, as well as for the refinement of existing mechanisms, and are aimed at limiting misrepresentation, misappropriation and corruption of financial flows and, conversely, promoting features to enhance transparency, accountability and efficiency in financial flows.

³⁹ See paragraph 65 of the *Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention* (available at http://unfccc.int/files/meetings/durban_nov_2011/decisions/application/pdf/cop17_lcaoutcome.pdf).

Recommendations

The recommendations below are likely to vary considerably in their costs and effectiveness. The costs and benefits of any proposed measure should be carefully evaluated in light of the likelihood and impact of the risk it aims to mitigate. In addition, safeguards may have unintended consequences, which need to be examined in the specific context in which they may occur. Some risks and corresponding mitigation measures are symmetrical and can at best be balanced rather than eliminated completely: for example, measures to prevent over-allocation of funds may increase the risk of stagnant funds, and vice versa; attempts to reduce funding overlaps may increase the risk of gaps in funding, and vice versa. Because of this, the following mitigation measures should be interpreted as a menu of possible options, rather than a set of firm recommendations.

Recommendations	Measures
<p>(i) Improve transparency on commitments and disbursements</p>	<ul style="list-style-type: none"> • Donors should publish their commitments and disbursements in a timely, comprehensive and comparable manner in line with the International Aid Transparency Initiative (IATI) and the Bangkok Call for Action⁴⁰ • Agree on definitions of ‘new’ and ‘additional’, and on how to properly distinguish between or classify REDD+ finance and official development assistance (ODA) • Donor pledges should specify whether or not the donor intends to count the funding as ODA and whether or not it is new and additional • Develop a standardised mandatory reporting template for REDD+ donor countries for amounts pledged, programmed and disbursed • Develop an appropriate marker system for identifying REDD+ funds within ODA commitments as reported through IATI best practice and the OECD Creditor Reporting System (CRS)⁴¹ • Consolidate existing REDD+ databases into a single, fully transparent financial tracking and reporting system (see Attachment 2), consistent with the OECD CRS and run by an appropriate international body • Harmonise preparation of annual financial statements by REDD+ funds, with public disclosure and independent audit by accredited financial auditors
<p>(ii) Improve transparency on decision-making</p>	<ul style="list-style-type: none"> • All significant decision-making meetings of REDD+ funds should be open to observers and the general public, including through live webcast where practicable • Parliaments in REDD+ countries should be encouraged to engage in significant REDD+ programme decisions • Key documents should be made available online before meetings, and reasons for decisions taken should be published within specified time-frames

⁴⁰ *Bangkok Call for Action*, developed at the Asia-Pacific Climate Change Finance and Aid Effectiveness dialogue held on 19–20 October 2010. This document can be downloaded at <http://www.oecd.org/dataoecd/57/27/46517810.pdf>.

⁴¹ Similar to the ‘Rio Markers’ currently used to identify ODA commitments that are related to climate change mitigation and adaptation (qualitatively assigned a score from “0 = not targeted” to “1 = significant objective” or “2 = principal objective”) - see http://www.oecd.org/document/6/0,3746,en_2649_34447_43843462_1_1_1_1,00.html

<p>(iii) Improve accountability</p>	<ul style="list-style-type: none"> • Involve civil society, indigenous peoples and local communities in the design phase of REDD+ accountability mechanisms, as well as in implementation • Parliaments, where democratically elected, should be encouraged to engage in and approve significant REDD+ programme decisions • Overall responsibility for decision-making and financial control should rest with a single board or committee, the membership of which should include representatives from donor and recipient countries as well as from civil society from donor countries and from indigenous peoples and local communities in recipient countries (membership should preferably be in a voting capacity) • Internal responsibilities for financial control should be clearly defined and include effective means of coordination with representatives from all relevant implementing or partner agencies to ensure that all possible funding pathways are covered • Provide funds in tranches, with release of further tranches dependent on positive third-party audit of performance • Adopt clear procedures for identifying, declaring and acting on conflicts of interest • To avoid conflicts of interest, private sector contributors to REDD+ funds should not be involved in the disbursement decision-making process • Follow best practice in anti-corruption safeguards (see Attachment 3) • A redress mechanism, for example with an ombudsman, should be available for any individual or organisation with a complaint or grievance • REDD+ funds should jointly fund a single independent financial investigative office with the necessary powers to investigate any possible misrepresentation or misappropriation of funds
<p>(iv) Improve efficiency</p>	<ul style="list-style-type: none"> • Establish or assign an existing entity as a coordination entity within REDD+ recipient countries (if not already established). This coordination entity should define REDD+ needs and match these to donor capabilities to minimise overlap and achieve maximum effectiveness • Continue and enhance coordination activities between existing funds, such as joint annual meetings of governing bodies, regular planning meetings and information sharing, including a peer review process to promote dissemination of high quality information⁴² • Ensure that a range of sizes of funds is available, so that momentum can be built towards larger applications for funds in countries, sectors or activities with lower capacity⁴³ • Assess human resources capacity in REDD+ fund recipient entities; design and implement a capacity building programme focused on anti-corruption measures for REDD+ financial transactions • Develop a standardised reporting framework and set of definitions specifically on transaction costs (e.g. overheads) for REDD+ intermediary institutions • Regularly review performance across comparable funds to identify best practice in organisational structure, processes and safeguards

⁴² Recent coordination efforts between UN-REDD, FCPF and FIP include (i) **Joint annual meetings** of the governing bodies, (ii) **Regular planning meetings** between respective secretariats and other REDD+ institutions (CBFF, GEF, Amazon Fund), (iii) Populating and managing the **Voluntary REDD+ Database** (see Attachment 2); and (iv) **Information sharing** of lessons learned, training materials, contacts, calendars, key documents (e.g. REDD+ Partnership and UN-REDD online collaborative Workspace).

⁴³ See for example the EU REDD Facility, http://www.euflegt.efi.int/files/attachments/euflegt/presentation_eu_redd_facility_040711.pdf

Key recommendations for design and implementation of a new international mechanism (assuming that this would be fund-based for both Phase 2 and Phase 3) include:

- **Membership of the peak decision-making body should include representatives from donor and recipient countries**, as well as from civil society, indigenous peoples and local communities affected by REDD+ actions
- **Transparent decision-making**, with all significant meetings open to observers, including through live webcast where possible, key documents available through the media and online, and reasons for decisions published within specified time-frames, combined with a redress mechanism such as an independent ombudsman or appeal process
- **A clear set of minimum fiduciary standards** (with specific criteria for assessment and procedures for addressing shortfalls) **for implementing agencies**, so that, in principle, a variety of implementing agencies could be accredited to disburse funds in different countries or regions, **including opportunities for direct access** in certain circumstances
- **Standardised preparation of financial accounts for the international mechanism and all implementing agencies, with public disclosure and independent audit** by accredited financial auditors

While these recommendations are aimed at the international level, the same generic principles should be cascaded down to national and sub-national levels in recipient countries to ensure effective, transparent and accountable financial flows all the way to the ultimate beneficiaries: indigenous peoples and local communities, forest owners and the forest itself. A critical factor to address this is budget transparency at the national and sub-national levels. Further, as the potential for certain risks, such as corruption, increases with proximity to the point where money is actually spent, additional safeguards which are specific to the country and/or organisation involved should also apply.

Attachment 1:

Cancun Agreement Guidance and Safeguards for REDD+

Guidance and safeguards for policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (Source: FCCC/CP/2010/7/Add.1)

1. The activities referred to in paragraph 70 of this decision [Decision 1/CP.16] should:

- (a) Contribute to the achievement of the objective set out in Article 2 of the Convention;
- (b) Contribute to the fulfilment of the commitments set out in Article 4, paragraph 3, of the Convention;
- (c) Be country-driven and be considered options available to Parties;
- (d) Be consistent with the objective of environmental integrity and take into account the multiple functions of forests and other ecosystems;
- (e) Be undertaken in accordance with national development priorities, objectives and circumstances and capabilities and should respect sovereignty;
- (f) Be consistent with Parties' national sustainable development needs and goals;
- (g) Be implemented in the context of sustainable development and reducing poverty, while responding to climate change;
- (h) Be consistent with the adaptation needs of the country;
- (i) Be supported by adequate and predictable financial and technology support, including support for capacity-building;
- (j) Be results-based;
- (k) Promote sustainable management of forests.

2. When undertaking the activities referred to in paragraph 70 of this decision, the following safeguards should be promoted and supported:

- (a) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements;
- (b) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty;
- (c) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;
- (d) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of this decision;
- (e) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of this decision are protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits;
- (f) Actions to address the risks of reversals;
- (g) Actions to reduce displacement of emissions.

Attachment 2:

Various existing tools to track and present REDD+ financing commitments and disbursements

Tool	Managed by	Description
International Initiatives		
Voluntary REDD+ Database (VRD)	REDD+ Partnership	<p>Formally launched at the REDD+ Partnership meeting in Japan in 2010, it builds on the initial data collection effort by Australia, France and Papua New Guinea launched during the Paris-Oslo process. The VRD aims to improve transparency around REDD+, support efforts to identify, analyse and address gaps and overlaps in REDD+ financing, and help share experiences on REDD+.</p> <p>Relies solely on information voluntarily submitted by countries and institutions.</p> <p>http://reddplusdatabase.org/</p>
Climate Funds Update	Overseas Development Institute and Heinrich Böll Stiftung	<p>An independent website that presents publicly available information on climate finance and REDD+ funds in a standardised format.</p> <p>Facilitates comparability and provides graphs and statistics on the source and focus of every existing fund, including how much is pledged, deposited, approved and disbursed.</p> <p>http://www.climatefundsupdate.org/</p>
Fast Start Finance website	Coalition of governments, led by the Netherlands	<p>Countries determine the reporting template and level of specificity they provide.</p> <p>http://www.faststartfinance.org/home</p>
New and Additional Tracking	WRI	<p>Focus on tracking and reporting pledges from donor countries, including what is 'new and additional' and the channelling institution(s) used.</p> <p>http://www.wri.org/publication/summary-of-developed-country-fast-start-climate-finance-pledges</p>

Tool	Managed by	Description
REDD Countries Database	The REDD Desk (Global Canopy Programme and Forum on Readiness for REDD)	<p>A centralised and collaborative database of the diverse and rapidly evolving range of ongoing REDD+ activities in tropical forest owning nations. Organised by country, it summarises key information in multiple languages across a broad range of areas including policies, plans, laws, statistics, activities and financing.</p> <p>So far the platform covers only seven countries, but seven more are currently being researched.</p> <p>http://www.threddesk.org/countries</p>
Fast-Start Finance Submissions by Annex 1 Parties	UNFCCC	<p>In December 2010 the UNFCCC Conference of the Parties invited developed countries to provide submissions detailing the fast-start climate finance they are providing, in order to enhance transparency.</p> <p>Ten submissions were received (Australia, Canada, Hungary and the European Commission on behalf of the European Union, Iceland, Japan, Liechtenstein, New Zealand, Norway, Switzerland and USA). Relatively large individual donors such as the UK, France and Germany did not submit information to the UNFCCC.</p> <p>Lack of standardised format and voluntary nature leaves room for improvement.</p> <p>UNFCCC document FCCC/CP/2011/INF.1, http://unfccc.int/resource/docs/2011/cop17/eng/inf01.pdf</p>
Multilateral Initiatives		
UN Multi-Partner Trust Fund Office Gateway	UNDP	<p>Real-time information on contributions, projects and detailed balance of funds as well as resources committed, deposited, budgeted, transferred and expenditures.</p> <p>http://mdtf.undp.org/factsheet/fund/CCF00</p>
FCPF Dashboard	World Bank – Forest Carbon Partnership Facility	<p>Periodical updates of country status on FCPF Readiness progress, with figures on grants signed and/or disbursed, as well as a financial summary.</p> <p>http://www.forestcarbonpartnership.org/fcp/node/283</p>

Attachment 3:

Internationally recognised tools, codes of good practice and guidelines on financial safeguards and anti-corruption principles

International Aid Transparency Initiative (IATI)

The **IATI** aims to make information about aid spending easier to find, use and compare. It offers a useful standard which could also be adapted for REDD+ public finance flows.

www.aidtransparency.net

IMF Guide on Resource Revenue Transparency

The **IMF Guide on Resource Revenue Transparency** applies to oil and gas revenues specifically but could potentially have useful application to forest revenues. The guide provides a framework for resource-specific issues to be considered in fiscal transparency assessments and a summary overview of generally recognized good or best practices for transparency of resource revenue management.

<http://www.imf.org/external/np/pp/2007/eng/051507g.pdf>

OECD/DAC Procurement Assessment Methodology

The **OECD/DAC Procurement Assessment Methodology** provides a common tool which developing countries and donors can use to assess the quality and effectiveness of procurement systems.

http://www.oecd.org/document/40/0,3746,en_2649_3236398_37130152_1_1_1_1,00.html

United Nations

The **UNDP Policy on Fraud and other Corrupt Practices** establishes the framework for preventing, identifying, reporting and effectively dealing with fraud and other forms of corruption.

http://www.undp.org/about/transparencypdocs/UNDP_Anti_Fraud_Policy_English_FINAL_june_2011.pdf

The **UNDP Accountability Framework and Oversight Policy** deals with results and risk-based performance management in addition to independent internal and external oversight to provide assurances to UNDP's Executive Board and its Administrator that functional systems of internal controls are in place.

<http://www.undp.org/execbrd/pdf/dp08-16Rev1.pdf>

The **United Nations Convention Against Corruption** is a legally binding instrument that deals with a range of anti-corruption measures in the following areas: prevention, criminalisation and law enforcement measures, international cooperation, asset recovery, and technical assistance and information exchange.

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf

World Bank

For a full list of the World Bank's Operational Policies, visit this link:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/EXTPOLICIES/EXTOPMANUAL/0,,menuPK:64701763~pagePK:64719906~piPK:64710996~theSitePK:502184,00.html>

The **Governance and Anti-corruption Good Practices for Financial Management Specialists – Project Implementation** explains how implementation support and monitoring

activities carried out by financial management staff may be adapted to deal with increased risks of fraud and corruption in weak governance environments.

http://siteresources.worldbank.org/EXTGOVANTICORR/Resources/3035863-1285875404494/100601_OPCFM_Project_Implementation.pdf

The **Country Integrated Fiduciary Assessment (CIFA)** reviews areas typically covered by the Country Financial Accountability Assessments, Country Procurement Assessment Report, and Public Expenditure Reviews. <http://web.worldbank.org/WBSITE/EXTERNAL/EXTOED/EXTFIDUCIARY/0,,contentMDK:21782915~menuPK:5042104~pagePK:64829573~piPK:64829550~theSitePK:5042089,00.html>

The **Implementation Plan for Strengthening World Bank Group Engagement on Governance and Anticorruption** articulates concrete steps to implement the Governance and Anticorruption Strategy of the World Bank Group, but can also serve as a useful resource for other institutions.

<http://siteresources.worldbank.org/INTGOVANTICORR/Resources/gacimplementation-aug2007.pdf>

The institutional sub-indicators included in the World Bank's **Country Policy and Institutional Assessment** (CPIA) index - notably CPIA 13 (the quality of public financial management systems) and CPIA15 (the quality of public administration) - are publicly available for all IDA recipient countries.

The Country Procurement Assessment Report (CPAR) measures fiduciary risks posed by weakness in the procurement systems that may result in uneconomic or inefficient procurement of goods, works, and services with public resources.

<http://web.worldbank.org/WBSITE/EXTERNAL/EXTOED/EXTFIDUCIARY/0,,contentMDK:21782915~menuPK:5042104~pagePK:64829573~piPK:64829550~theSitePK:5042089,00.html>

The World Bank's **Single Audit** process came into force in 2009 and means that 100% of the World Bank's Trust Funds are now subject to annual independent audit of their financial statements (principally covering cash in and out, fund balance, investment income and administration fees). These financial statements are prepared according to the 'modified cash basis of accounting' method.

This differs from international accounting standards (US GAAP, Generally Accepted Accounting Principles and IFRS, International Financial Reporting Standards) insofar as receipts are recorded when actually collected (rather than when pledged) and disbursements are recorded when actually paid (rather than when committed).

Management must make an assertion over the internal controls supporting those financial statements, which includes:⁴⁴

- Contributions from donors are recorded in the appropriate trust fund on a timely basis;
- Assets from underlying funds held in trust are segregated from funds of the World Bank Group;
- Transactions are recorded in the underlying financial records and the financial reporting of each trust fund are valid and complete;
- Investment income is earned and credited to the appropriate trust fund in accordance with the terms and provisions of the agreements;
- Disbursements follow established World Bank Group policies and procedures;
- Fees for administering each trust fund are charged in accordance with the terms and provisions of the trust fund agreements;
- Financial reporting is in compliance with the requirements set forth in the legal agreements entered into with the donors.

This management assertion is also independently audited, according to standard AT501 issued by the American Institute of Certified Public Accountants – see:
<http://www.aicpa.org/Research/Standards/AuditAttest/DownloadableDocuments/AT-00501.pdf>

Audited World Bank financial statements, as well as unaudited interim statements and other information is publicly available on the World Bank website (see <https://finances.worldbank.org/>).

Other Indices

- The **Global Integrity Index** (GII) measures at a very disaggregate level the quality of check-and-balance arrangements to prevent the abuse of power, curb corruption, promote public integrity, and assure citizens access to their government in 43 countries (www.globalintegrity.org).
- The **Open Budget Index** (OBI) assesses the public availability of key budget documents, the quality of information they provide, and the timeliness of their dissemination in 59 countries (www.internationalbudget.org).
- The **OECD Procurement Index** assesses the quality of procurement systems in 22 pilot countries (www.oecd.org).
- **Doing Business** indicators measure the quality of formal government regulatory rules on business for 175 countries.
- The **Worldwide Governance Indicators** (WGI) produced by DEC and WBI provide six aggregate measures (based on 33 different survey sources) of the outcomes produced by governance systems, including the extent of corruption, for over 200 countries since 1996.
- **Transparency International's** Corruption Perceptions Index measures the perceived levels of corruption in over 170 countries, publishing an annual ranking of these countries.

⁴⁴ See Quinn, B. (2009) *Forest Carbon Partnership Facility Single Audit*. Available at:
http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Oct2009/13.b_Audit_Reform.pdf



global witness

Global Witness investigates and campaigns to prevent natural resource-related conflict and corruption and associated environmental and human rights abuses.

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