# Norad

## Template for report and accounts for organisations under the Climate and Forest Initiative funding scheme for civil society

### 2013-2015

**This template for reports and accounts** is to be used by organisations with agreements with Norad under the Climate and Forest Initiative funding scheme for civil society.

This template must be used for the **final report** and correspond with the signed agreement and the latest approved Project Document. The final report for the whole agreement period (2013-2015) should include results on a higher level in the results chain than previous reports (please see figure below). The final report should give a description of **achieved outcomes in terms of effects on target groups, and explain how these outcomes are expected to contribute to the intended impact.**

In cases where outcome cannot be documented by the end of the agreement period, substantial evidence of outputs should be presented with an explanation on how these will lead to the desired outcome and when.

The report should not exceed 15 pages, and please remember to submit the common indicators separately (if already submitted in March and there are no changes, you may refer to this).

The deadline for delivering the report is 1 June 2016, unless you have agreed otherwise with your desk officer. Please submit the report electronically to postmottak@norad.no, and Cc your desk officer.

## 1. General Project Information:

### 1.1    Name of recipient organisation:
Transparency International (TI)

### 1.2    Reporting year:
1st January 2015 – 29th February 2016

### 1.3    Agreement Number:
GL0-3115 QZA-12/0870

### 1.4    Name of project:
REDD+ Governance and Finance Integrity

### 1.5    Country and region in the(se) country if applicable:
Global and in three countries: Vietnam, Indonesia and Papua New Guinea

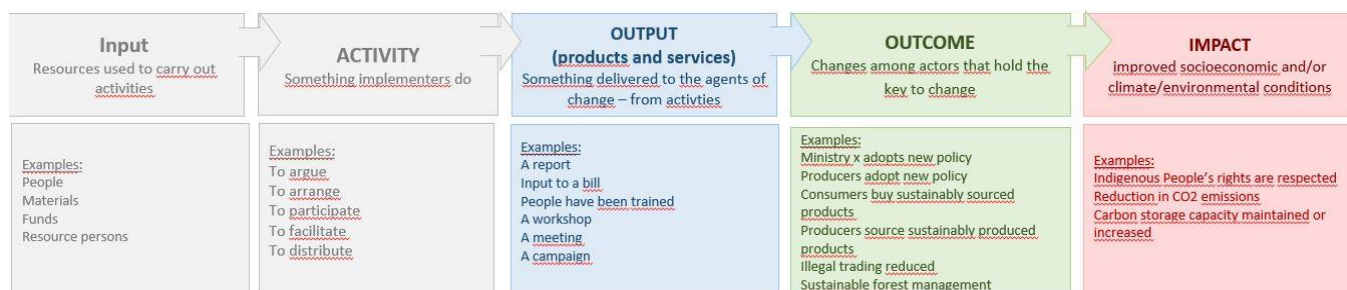### 1.6    Financial support to the project from Norad for last calendar year 2015:
4,160,000 NOK

### 1.7    Thematic area:
Category 3: Analysis, concept and methodology development that contribute to sustainable planning and implementation of REDD+

Result chain:



With reference to the Result Chain as illustrated above, Norad requires reporting on the effect on target groups (outcomes) for this final report. If possible, we also highly appreciate reporting that reflect any results at impact level. Please remember to relate the reporting to the baselines.

Reporting of results: The achievements should be documented (for example by data on indicators or examples).

2.1    Please repeat the **project's target group(s)** and the baseline for the target group at the start of the project (from the approved project document).

Baseline summary

| Main Actors | Baseline Status |
|---|---|
| Society at large, Media, CSOs, Indigenous + Local Communities | Limited or no  (1)understanding of REDD+, its governance and finance, how corruption works and how to address it;   (2)capacity to engage in REDD+ advocacy and monitoring; (3)access to channels to voice complaints, seek redress, report cases of corruption and fraud in REDD+ |
| National institutions engaged in REDD+ | (1)Limited political will and institutional capacities for REDD+ finance and governance, law enforcement   and to tackle corruption; (2)Insufficient policies and safeguards against corruption and for accountability, integrity, transparency;  (3)A general apathy to act in a culture of corruption |
| Local governments, National auditing, anti-corruption agencies, Parliamentarians | (1)Limited or no understanding of REDD+, its governance and finance;  (2)Limited capacities or mandates to act on climate related matters; (3)General apathy to act in culture of corruption |
| REDD+ Funds, REDD+ technical groups and tables | (1)Limited or no monitoring and oversight capacities; (2)Insufficient accountability for public spending |

Baseline detail

Indonesia

The key emerging concerns relate to the design of benefit distribution favouring established elites and excluding forest dwelling communities; the embezzlement of REDD+ funds as has occurred under the Indonesian Reforestation Fund previously and challenges in enforcement underscored by the poor record on forestry related court proceedings and the absence of any deterrence in the punishments meted out.

Reasons underlying these challenges are the lack of transparency in the sector and the failure to hold corrupt actors to account. Communities are concerned that their rights are not being upheld, but are often unaware how to go about remedying this – instead the situation sometimes descends into physical conflict.

### Papua New Guinea

Research conducted by TI-PNG shows that there is a policy vacuum in REDD+ making the potential for corruption risks high in all areas of REDD+ development. There is little political will or commitment to enhance the development of REDD+ and align it with global initiatives or to act on corruption. Experience in forestry sector legislation in the past, including existing and much exploited loopholes, led participating stakeholders to voice particular concern about legislation for REDD+. Furthermore, it is felt that consultation of civil society actors in the REDD+ process is insufficient and that there are huge information asymmetries between local landowners and those seeking to benefit from the land, implying risks of manipulation and preventing adequate compensation and benefits trickling down to local communities. This is aggravated by a perceived lack of transparency among local stakeholders in the processes of REDD+ decision making at the national level.

### Vietnam

The transparency and accountability of governmental actors involved in the forestry sector, who hold all forest land tenure, is not sufficient. Citizens have little access to information on REDD+ financing. Participatory processes in REDD+ project planning and decision-making fail to adequately include civil society actors, indigenous peoples, forest-dependent communities and in particular women. In the application phase for REDD activities, bidding and procurement processes are not transparent and information on reference emission levels has been manipulated. Cooperation among government agencies with complex and overlapping competencies is absent. Research undertaken by the TI team also found occurrences of embezzlement, elite capture and undue influence by powerful actors. As a result of weak policies and law enforcement, corruption is hard to detect.

### Multilateral REDD+ Funds

From the preliminary research results undertaken by TI on corruption risks in the emerging institutional architecture of the REDD+ mechanism, concerns emerged regarding transparency, accountability and integrity in the workings of the UN-REDD Programme, the Forest Carbon Partnership Facility (FCPF) and the Forest Investment Programme (FIP). In particular, the research highlighted a lack of transparency. For example, in the UN-REDD programme, whilst there is significant public availability of information about the accreditation, project submission and approval phase of projects/programmes, information about the implementation phase and monitoring remains scarce. Also, the World Bank Climate Investment Funds have no code of conduct or conflict of interest polices for sub-committee members. Procedures to investigate allegations of corruption are either non-existent in many cases, while in others diplomatic immunities and privileges create a legal barrier to punishing board members. The completed research sets out a clear baseline of the governance strengths and weaknesses on the UN-REDD, FCPF and FIP.

**2.2** Please repeat the project's **desired impact** (from the approved project document).

This project directly contributes to a desired society where citizens are successfully engaging and demanding accountability in REDD+ and forest finance and governance and where REDD+ and forest governance policies and practices are more preventative against corruption, transparent and accountable at all levels. This will ensure more effective use of public resources. Ultimately, the project will contribute towards helping reduce illegal deforestation and degradation, curb climate change impacts and enhance gender sensitive sustainable development.

**2.3** Is the project still relevant for the desired impact? (Yes/No) If No, please give a short explanation.

Yes

a) Please repeat the project's planned outcome(s) (effect on project´s target group(s), beneficiary (-ies)) (from the approved project document).

| Target groups | Desired changes |
|---|---|
| Concerned citizens and stakeholders | are better able to engage in REDD+ policy development, implementation and monitoring and to demand public accountability |
| Victims and witnesses of corruption | articulate and find solutions to their grievances through legal advice and support mechanisms around REDD + |
| International and national REDD+ governance and finance institutions | improve and enforce policies and procedures to prevent corruption through advanced transparency, accountability and integrity throughout project cycles |

b) Please report on all outcomes from the project document:
   i.   What changes have been achieved with reference to the baseline?
   ii.  Please report on the key indicators used to document that the desired change has occurred.
   iii. Please reflect on whether targets that were originally set have been achieved, and what project outputs were key to achieving them. If relevant reflect on why outputs delivered as planned did not help meet the targets
   iv.  If outcomes are not yet achieved, please explain why, and in addition, how the outputs will lead to the desired outcome and when.

| OUTCOME AREA 1: Citizens and stakeholders are better able to engage in REDD+ policy development, implementation and monitoring and to demand public accountability | |
|---|---|
| Target groups | REDD+ project affected communities, public authorities/ministries, decision makers at central, local levels, REDD+ Offices, CSOs, Universities, media, (PIB, CIS - Vietnam) |
| Desired changes | Citizens and stakeholders have increased knowledge to act on (1) REDD+ governance and finance, (2) corruption risks and institutional governance challenges (3) best policy level solutions to mitigate risks (4) best ways to monitor public spending and implementation of projects and programmes for REDD + governance/ finance and to hold governments accountable when corruption happens |
| Targets | At least 10 outreach activities and 5 monitoring actions take place in each country |
| Output Indicators | # and scope of outreach activities offering citizens quality information and tools enabling them to address REDD+ corruption issues. # and scope of citizen-based monitoring actions on issue |
| Outcome Indicators | # and quality of citizens campaigns, advocacy actions to demand accountability |

## Indonesia
TI-Indonesia (TI-I) empowered citizens and stakeholders nationally and in REDD+ implementing provinces to better engage with REDD+ policy development and implementation. **Nationally the Chapter conducted 8 outreach actions** including: a street protest; a press launch of the Indonesia REDD+ Corruption Risk Assessment report; presentations at the annual KPK/UNODC Anti-Corruption Fora; an illustrated calendar; trainings for journalists on REDD+ governance; outreach through social media (TI-I's Facebook page FREDDI Watch had 902 members at the close of the project period); the production and dissemination of a video short documenting challenges for accessing information in forest and land use planning and the impact on one community in Central Kalimantan. **TI-I further led a series of 6 outreach actions and 3 monitoring actions in four**

**REDD+ implementing provinces of East Kalimantan, Central Kalimantan, Jambi and Central Sulawesi.** These led to **2 citizen led actions at the local level in Jambi and Central Sulawesi to demand accountability for corruption and mismanagement in the forestry sector**, signifying an advance on the baseline situation where local citizens facing forest corruption were unaware of how to seek redress.

TI's main monitoring action was an [assessment](#) conducted through desk research and focus-group discussions with local stakeholders on the preparedness of the four regional governments to address REDD+/forest governance challenges and corruption. In follow up to the research, TI-I worked with local civil society actors in two provinces to address the key forest governance challenges identified. More specifically, in Central Sulawesi, TI-I worked with local civil society actors to monitor the implementation of government reforestation and forest rehabilitation programs: Lore Lindu National Park in Sigli and Poso district, KPH (Forest Management Unit) in Lalundu-Banawa in Donggala district, and KPH of Dampelas-Tinombo in Parigi Moutong and Donggala district. TI-I supported the local CSO group in channelling identified governance failings to local authorities relating to the misappropriation of funds, restriction of the rights and access of local communities to the reforested land and challenges in accessing full information on the project funds. The group further developed a [Public Service Announcement](#) on the need to address forest sector corruption which was regularly broadcast on local news networks. Secondly, in Jambi, TI-I, with local partners, monitored the licensing processes of a state-owned coal mining company (PT. ANTAM). The group [identified](#) irregularities and alleged abuse of power by local authorities in circumnavigating state legislation in the award of the mining exploration license. This issue was raised with the Merangin District Mining Service contributing to the introduction of reforms to increase transparency of local licensing (See Outcome 3). **At the national level TI-I also carried out 2 monitoring actions** - supporting the national Anti-Corruption Agency (KPK) as an official civil society observer of Memoranda of Understanding to improve forest and land governance established between KPK and 12 key government agencies, and later 24 regional governments. The enhanced participation of civil society in the monitoring of anti-corruption commitments in the forest sector at the national and regional level constituted an improvement on the baseline scenario where civil society capacity for engagement and oversight was limited.

## Papua New Guinea

In Papua New Guinea, **4 national outreach actions** targeted journalists, civil society actors and government agencies responsible for REDD+ policy and implementation. TI-PNG rolled out [TI's online learning course on REDD+ Integrity](#) through online dissemination and training workshops. CSOs, staff from the Climate Change Development Authority (CCDA) and students at the University of Papua New Guinea attended training sessions (61 Papua New Guineans in total have taken the course). A [media training](#) in September 2015 targeted journalists specialising in environmental issues to build capacity and increase reporting on REDD+ and related forest governance issues. TI-PNG also lead a radio campaign, speaking on national and local stations on forest governance and REDD+ risks and solutions. Throughout the project period, **8 local outreach actions** targeted communities living in and around REDD+ project pilot sites in Manus Province, East Sepik and Central Suau. TI-PNG provided legal support (see Outcome 2) and information on land rights and governance issues in their outreach missions, through targeted visits to communities in remote areas, school visits and professional forums, stalls at festivals and public events, and awareness raising through local radio stations. These awareness raising activities have supported a change from the baseline scenario where asymmetries of information existed between local communities and actors seeking to benefit from the land which lead to manipulation and capturing of resources and benefits.

TI-PNG's capacity building support for citizens and stakeholders in REDD+ project areas led to increased engagement and contributed to **4 citizen-led actions to demand accountability for corruption** in the forest and land use sector. In April Salomei, with TI-PNG's support, 25 community leaders from the Ambunti District formed a community anti-corruption coalition with a view to address complaints that had been raised related to the April Salomei REDD+ Project site. In Manus Province, where more than 300 young people attended an anti-corruption rally hosted by TI-PNG in August 2015, youth leaders formed a 'Youth Against Corruption Association' to address corruption and bribery, also looking at the links between corruption and the degradation of forests on the island. In two villages in the same province, TI-PNG supported the communities to launch campaigns on corruption cases that affected them. In Jakal, the case related to a logging company that had

breached its contract with landowners and the terms of the concession, as logging encroached on a protected area. TI-PNG launched a campaign on the case in cooperation with the Manus professional community association, student groups and civil society organisations including the Wildlife Conservation Society, Eco-Forestry Forum and the Centre for Environmental Law and Community Rights. The pressure exerted by the collective action resulted in the logging company withdrawing from the area and ceasing illegal logging activities, and under guidance from TI-PNG, the community applied to establish an Incorporated Land Group to better protect their constitutional rights to customary land in the future.

Following publicity surrounding the Jakal case, a resident of neighbouring village Butchou approached TI-PNG to seek legal support for his community. A logging company operating in the area had breached the terms of its original contract, failing to provide the aid post and education to the school facilities that it had committed to and yet the permit was extended by local officials. Local residents were never consulted on the award of the permit and suspected that facilitation payments had eased the process. TI-PNG documented the case in a short documentary which was widely shared in PNG and globally with more than 60,000 views on social media. As a result of engagement and support of TI-PNG, the Butchou community mobilised and blocked off a bridge connecting the logging camp site in the forest area. They demanded that the logging company address their concern over the unfulfilled obligations set out in the Forest Management Act. As a result, the Manus governor stopped logging activities in some parts of Manus Province. Overall these instances of communities standing up to corruption and seeking redress constitute a shift from the baseline scenario where limited information or support was available to them to realise their rights.

### Vietnam

Throughout the course of the project, Towards Transparency Vietnam (TT) rolled out **more than 20 outreach actions** in Quang Binh and Lam Dong, and supported **14 monitoring actions** by local communities. By piloting participatory monitoring approaches at the commune level, TT empowered beneficiaries of forest programmes to ensure the effectiveness of implementation on the ground, and further developed an evidence base that was required for national policy impact (See Outcome 3). These outcomes signify a shift from the baseline scenario where citizens had limited access to information on forest programmes, and participation by civil society, indigenous and forest dependent communities (especially women) in REDD+ policy development and implementation was limited.

Trainings and tailored manuals developed in partnership with local VNGOs the International Center for Tropical Highland Ecosystems (ICHTER) and the Rural Development and Poverty Reduction Fund (RDPR), increased communities' understanding of local and national policies related to forestry, REDD+ and anti-corruption, and trained them in the use of community monitoring approaches (Community Scorecards and Participatory Expenditure Tracking Surveys). Existing forest finance channelled through the Vietnamese National Forest Fund (VNFF) was targeted as the VNFF is also set to be the channel for payments to be made under REDD+. Over 220 local citizens (roughly 30% female, 70% male and most of them ethnic minorities - Hmong, Van Kieu, Pako, Ktu) were trained to monitor REDD+ and forest programme implementation, to identify corrupt practices, raise issues with local authorities and seek redress for any grievances.

Civil society space is very restricted in Vietnam and rural communities – especially women and ethnic minorities – may feel at risk to organise and speak out against corruption. To mitigate such risks, TT established good working relationships with the local forest authorities, mass organisations (officially registered Vietnamese civil society organisations) and the Fatherland Front, which was also vital to ensure effective feedback to the communities for their grievances. TT facilitated **8 dialogues with local authorities to demand accountability for corruption and mismanagement** identified through the monitoring actions. During the dialogues, local citizens raised issues related to the distribution of forest finance benefits, alleged misuse of payments by the local authorities and fraudulent beneficiary lists (See Outcome 2). A short documentary film produced by TT tells the story of one community in Quang Binh that participated in the training and monitoring actions, identified issues and were able to successfully seek redress from local authorities. These outcomes represent a significant change from the baseline at the local level; indigenous and forest dependent people have been empowered to identify and seek redress for issues in forest programmes leading to increased accountability. Related results at the provincial and national level are further detailed in Outcome 3.

## Global

The TI-Secretariat team developed a programme of communications, capacity building and awareness raising actions on REDD+ governance challenges and solutions, including but not limited to: online courses, on-demand research, policy discussion series, video documentaries and press work. The flagship capacity building tool that was developed and disseminated during the project was TI's **online learning course on REDD+ Integrity.** The content of the course was developed in collaboration with UNDP and UN-REDD, and received the support through review and inputs from CIFOR, GIZ, U4 and INTERPOL as well as official observers to the multilateral REDD+ funds. The course is available in in English and French, is open access, free and can be taken at the students' own pace. An offline version of the course was also produced for TI Chapters to roll-out in remote areas where internet access is limited. Its promotion started at the COP 20 in Lima at an official side event (video coverage here). TI Chapters from around the world were trained to use and administer the course, which has facilitated its roll-out in over 20 REDD+ countries. By the close of the project, 1,234 participants had taken one or more of TI's online courses on governance integrity.

Global press and online outreach work included: an article highlighting the research findings from the national and global REDD+ risk assessments; an article on REDD+ Safeguards linked to TI's submission to the UNFCCC Subsidiary Body for Scientific and Technological Advice (SBSTA) on the Safeguards Information System; an article in advance of COP20 in Lima; and a web-feature "3 Conditions for a Successful Climate Agreement" – outlining TI's high level recommendations for the Paris Agreement, which was widely shared, reaching 600,000 people and 22,250 likes on Facebook. Two major US news outlets – Newsweek: "the Green Climate Fund Must Fight Corruption Before it can Beat Global Warming" on 08/11/2015 (600,000 unique visitors), and the Wall Street Journal on 08/12/2015 (2.3 million) also covered TI's asks in advance of COP21. A regular newsletter was also circulated throughout the project period to over 1,000 stakeholders, collating news features, blog posts, event updates and other online deliverables.

TI-S hosted a number of global events, including official side events highlighting accountability and transparency issues for the global negotiations at COP20 in Lima, the Bonn Intercessionals and at COP21 in Paris. TI also hosted a global policy discussion series, the Climate Finance Integrity Talks, aimed at driving policy debates on improving transparency, anti-corruption safeguards and participation in climate finance and REDD+. The Talks hosted in Berlin, Geneva and at COP19 in Warsaw included participation from the two main multilateral REDD+ funds, the FPCF and the UN-REDD Programme, academic and civil society experts, TI national chapters, implementing agencies and representatives of donor and recipient countries. Each event was followed up with ongoing discussions on the issues tackled as 4 collaborative policy papers were produced bringing together the participants' perspectives and recommendations related to public participation and monitoring, effective redress mechanisms and anti-corruption safeguards in REDD+ MRV. A news piece on the full series and all relevant documents can be accessed here.

TI's on demand research «Help-Desk» produced four research papers on REDD+/forest governance in response to requests from TI partners: on the linkages between illegal logging and conflict; corruption in the forestry sector of COMIFAC member countries; and corruption risks in REDD+ in the Congo Basin, and corruption risks in carbon markets mechanisms and mitigation strategies.

Finally, TI's global team produced and widely disseminated a series of short films highlighting corruption risks and solutions in REDD+ and forest governance. A web documentary produced by TI's Sub-Saharan Africa team showcased a corruption case related to the forestry sector from Madagascar and highlighted risks for REDD+. A web-feature brought together the human interest stories narrated by TI's online documentary shorts of individuals impacted by corruption in forest governance in Papua New Guinea, Vietnam and Indonesia. A global video was shared on social media around COP21 with key messages presented by several Chapters on the risks for corruption in REDD+ and how to tackle them.

| OUTCOME AREA 2: | |
|---|---|
| **Victims and witnesses of corruption articulate and find solutions to their grievances through legal advice and support complaints mechanisms** | |
| Target groups | REDD+ project affected communities, judiciary, official complaints mechanisms, public authorities |
| Desired changes | ➢ Victims and witnesses of corruption articulate their corruption related grievances<br>➢ Victims and witnesses of corruption better understand their rights and their options to find solutions to their grievances<br>➢ Citizens more engaged in REDD+ governance actions<br>➢ Systemic changes in policy and practice, improving transparency and integrity of public institutions |
| Target | 80% of grievances are successfully resolved in each country. |
| Output Indicators | # of victims and witnesses of corruption receiving support |
| Outcome Indicators | % of cases closed with successful outcome (in particular by gender, sector)<br># of clients stating an increase in awareness of their rights attributable to REDD+ safeguards as a result of support from the TI Chapter<br># and quality of specific policy change proposals based on cases and data |

[As per the original project proposal, TI-Indonesia did not work towards this Outcome Area, actions were planned and carried out at the national level in Papua New Guinea and Vietnam.]

## Papua New Guinea

TI-PNG's Advocacy and Legal Advice Centre (ALAC) is a drop-in clinic based in Port Moresby that provides free and confidential legal advice to victims and witnesses of corruption. Throughout this project, the ALAC team accompanied outreach missions to communities living in and around REDD+ project sites in Manus Province, East Sepik and Central Suau in order to provide legal support to potential victims and witnesses of corruption. Throughout the project period, **TI-PNG provided targeted legal support to roughly 750 people (67% men, 33% women)** (*"Receive support"* means receiving information and guidance on how to process a corruption related complaint)**. 22 corruption complaints related to forest/REDD+ were received and successfully processed** during the project period. The cases related to illegal logging, abuse of land rights, Special Agriculture and Business Leases (SABL), lack of transparency in local government processes related to forestry, such as licensing, and benefit sharing under REDD+ pilot projects. **100% of the cases can be considered "closed with a successful outcome"** meaning that all cases were handled, ensuring confidentiality, advice was provided on how to seek redress, and in certain cases competent government agencies were contacted on behalf of the complainant. As well as providing legal support to individual complainants, TI-PNG used the evidence they garnered through their case work to push for systemic policy and practice change in government, by feeding back to the Office of Climate Change and Development (OCCD, later the Climate Change Development Authority, CCDA) and Forest Authority (PNGFA) on the governance weaknesses that communities in REDD+ areas encountered through the Technical Working Groups (See Outcome 3), and taking up two emblematic cases from Manus Province to launch campaigns in support of the affected communities, with successful outcomes (see Outcome 1). In August 2014, following TI-PNG's ongoing advocacy and constructive engagement, the Department of Lands & Physical Planning (DLPP) launched an official complaints desk to improve access and support to individuals and communities affected by corruption in the sector. TI-PNG provided technical support in the setting up of the complaints desk and continued to provide an advisory and monitoring function over the complaints received, and progress in addressing them, on a regular basis throughout the project period (See Outcome 3). Although much remains to be done to address the nationwide land-grab connected to the Special Agriculture and Business Licenses (SABLs)(See Outcome 3), TI-PNG's support to individuals' complaints and the reform achieved in the Lands Department represent important shifts on the baseline scenario where impunity for corruption and manipulation of loopholes in legislation in the forest and land use sector was endemic.

## Vietnam

TT supported beneficiaries of REDD+/forest finance programmes to monitor implementation, identify and seek redress for their grievances. Restrictions on NGOs' activities in Vietnam prohibit the provision of independent legal support beyond advice and referral to victims and witnesses of corruption, as such, TT worked closely with existing government Legal Aid Centres to cooperate on a series of targeted outreach activities to REDD+ project areas where the Chapter supported the effectiveness of the centres' work by providing information on citizens' rights and corruption risks in forestry/REDD+ and support in processing corruption related complaints. Through partnerships with the Ministry of Agriculture and Rural Development, the Ministry of Justice, local mass organisations, the Department of Ethnic Minorities and local Legal Aid Centres, TT developed locally tailored strategies and establish agreements on how complaints service for REDD+ will be implemented in the two provinces of Lam Dong and Quang Binh – serving as a critical pilot for the design of the REDD+ Grievance Redress Mechanism. Through this pilot, the Chapter dealt with **32 grievance cases, 100% of which were closed with a successful outcome** during the project period. Given the restrictions on civil society action in Vietnam, the successful establishment of a CSO-facilitated grievance mechanism represents a significant change on the baseline scenario with the potential to counter elite capture, embezzlement and undue influence in forest programme and REDD+ implementation.

In Phu Son Commune, Lam Dong the community uncovered through their monitoring actions that 20% of the list of households receiving money from PFES for forest patrolling and protection were fraudulent. TT in collaboration with the Fatherland Front of Lam Ha district supported **8 complainants** to lodge the issue using applicable laws. As a result, the Commune authority issued a new decision removing the fraudulent names. In Quang Binh province, **24 complaints and denunciations** relating to forestry programme implementation were dealt with. As local citizens were reluctant to follow up the grievance cases through the legal system, TT supported five "dialogue" events where the issues raised were discussed between local citizens, the Quang Ninh District People's Committee and Quang Binh Department of Agriculture and Rural Development (DARD). TT's neutral mediation role was key to facilitate conversation and conflict resolution in a context where speaking about governance issues can be dangerous and is often avoided. From these dialogues, local authorities have allocated 315 ha of forest land for 61 households in Truong Xuan Commune and there are plans to allocate a further 694 ha to an additional 263 households in Trung Son.

Beyond the resolution of specific grievances, TT's pilot of a REDD+ grievance mechanism contributed to provincial and national policy developments (See Outcome 3). A further outcome of the successful grievance redress mechanism pilot in Lam Dong and Quang Binh was its expansion to an additional province, Lao Cai. Following the successful pilot, TT was approached by UNDP and VNGO the Vietnam Forest Science Technology Association (VIFA) to support the development of a GRM for a GEF funded forest project in the province.

| OUTCOME AREA 3: International and national REDD+ governance and finance institutions improve and enforce policies and procedures to prevent corruption through advanced transparency, accountability and integrity throughout project cycles | |
| --- | --- |
| Target groups: | **National:** Ministries of Finance, Forestry; Public authorities, decision makers; NGOs; REDD stakeholders, donors; Forest communities/ landowners; **International:** GEF, UN REDD, FAO, UNEP, UNDP, World Bank, FIP, FCPF, GCF, AfDB, ADB, EBRD, IADB, CSO Observers |
| Desired changes | ➢ Improved systems and processes of public and private sector accountability and oversight in REDD+<br>➢ Improved transparency on use of public resources for REDD+<br>➢ Improved anti-corruption safeguards for public sectors REDD+ actors and deployment throughout REDD+ project cycles including allocation of concessions for REDD+ and carbon rights, landowner mobilisation, benefit distribution, safeguards and carbon trading |

| | |
|---|---|
| | ➤ Improved policies and practiced for MRV to prevent corruption and fraud<br>➤ Improved policies and practices to prevent corruption and fraud as drivers of illegal deforestation and forest degradation |
| Target | At least 5 changes occur in each country in the policy and/or practices in relation to REDD+ |
| AREA 3: Outputs | |
| Output Indicators | # and quality of civil society recommendations and asks for enhanced transparency and accountability in REDD+ policies and practice |
| Outcome Indicators | # and quality of government responses to and uptake of civil society recommendations and asks<br># and quality of changes in the policy and/or practices in relation to REDD+ |

<u>Indonesia</u>

Through the project period **TI-Indonesia led or contributed to 12 civil society recommendations for enhanced transparency and accountability in forest/REDD+ governance.** TI-I's efforts sparked **4 positive responses from government officials** at sub-regional and national level and contributed to **4 changes in policy/practice** at national and regional levels.

**National advocacy and impacts:** At the start of the project period TI-I hosted a press conference calling for greater safeguards against corruption risks in REDD+, resulting in public responses from the Head of the REDD+ Managing Agency with assurances about the seriousness with which the Agency will tackle the issue of corruption, and from the Secretary General of Ministry of Forestry on the importance of stronger law enforcement for corruption. Towards the end of the project period, TI-I input to the Forest Investment Program Administrative Unit on the Government of Indonesia's proposal for scaled up financing, highlighting the areas where anti-corruption should be mainstreamed through the proposed actions, prompting response from the GoI and World Bank addressing the concerns raised. TI-I mainstreamed anti-corruption priorities into the advocacy of key forest-sector CSO coalitions, the «Anti-Forest Mafia Coalition» and the «Independent Forestry Monitoring Network». TI-I contributed to a Anti-Forest Mafia Coalition report on the flaws in the Indonesia Timber Legality Assurance System (SVLK),held a press conference in Riau Province on the same issue, was invited by the Forest Stewardship Council to contribute on anti-corruption standards for the FSC's Standard Development Group, and further contributed to advocacy coordinated by the Independent Forestry Monitoring Network on the inclusion of anti-corruption principles in the certification of logging companies. One improvement to the SVLK was the acknowledgement by the Government of the right of independent monitoring groups to gain security guarantees, access to information and relevant locations during the monitoring process.

TI-I also collaborated with NGOs as the members of the Joint Secretariat of Forest Governance to advise the newly formed MoEF on its public disclosure of information regulation. The coalition produced analysis of the public information regulations existent under the previous Ministry of Environment and Ministry of Forestry, before they were merged to form the MoEF, laying out the gaps and loopholes in each regulation and proposed a new set of regulations under the newly formed MoEF that would strengthen public disclosure from the newly formed MoEF. In response to the collective advocacy, the MoEF revised its regulation on public information disclosure to bring it into line with Indonesia law on public information disclosure, and issued reforms that would simplify and clarify elements of forest licensing processes. Finally, as noted above, an important change in practice which TI-I supported during the project period was the enhanced participation of civil society in monitoring the delivery of anti-corruption commitments made between 12 key government agencies and 24 regional governments through MoUs with the Anti-Corruption Commission (KPK).

**Sub-national advocacy and impacts:** Through desk-based research and a series of Focus-Group Discussions held with local stakeholders, TI-I monitored the preparedness of regional governments to address governance challenges and corruption in the four REDD+ implementing provinces. TI-I's monitoring found that although national level policy developments had prioritised governance weaknesses, at the provincial level a lack of clear guidelines and relatively limited capacity for anti-corruption prevention continued to pose significant risks for REDD+ implementation. Corruption issues were not seen to be prioritised in the preparation or implementation

of provincial REDD+ strategies/action plans (SRAP/STRADA) or mitigation action plans (RAD-GRK). TI-I submitted targeted recommendations to the four provincial governments of Central Sulawesi, Central Kalimantan, East Kalimantan and Jambi, as well as to the MoEF, on how they can enhance their anti-corruption preparedness for REDD+.

There was a positive response from the Secretary of the East Kalimantan Province to TI-Indonesia, acknowledging the findings of their research related to the weaknesses in forest governance and committing to work with TI-Indonesia to improve anti-corruption measures related to forestry/REDD+. Following TI-I's engagement with local civil society to address forest governance weaknesses in Jambi province (Outcome 1), the provincial forestry management service recognised the need for greater stakeholder engagement in policy development and enforcement (especially related to licensing, land tenure issues and REDD+), resulting in a more meaningful engagement of stakeholders including indigenous people and local community groups. TI-I and CSO partners worked with the Jambi Forest Service to define the service areas where corruption risks were prevalent, particularly related to licensing for mining and other extractive industries, and prepared a matrix to clarify the process and a plan to disseminate information to all stakeholders. This matrix serves as the local standard for the Forest Service, against which performance will be periodically evaluated. These reforms constituted an improvement on the baseline scenario where local government actors were seen to have limited appetite or capacity to address corruption risks.

Papua New Guinea

In **Papua New Guinea,** the Chapter **led or contributed to 12 civil society recommendations for enhanced transparency and accountability** related to forest governance and the developing climate change and REDD+ policy and legal frameworks, which resulted in **2 positive responses from government, and 6 changes in policy /practice**. An important change in terms of government response to civil society input was the signing of a Memorandum of Understanding between TI-PNG and the OCCD, which outlined terms to ensure greater collaboration with the lead government agency for climate/REDD+ issues, an important change on the baseline where CSO engagement with the government on REDD+ policy development was limited. During the reporting period, TI-PNG actively contributed to Technical Working Groups and national consultations on a number of policy and project developments including: the National FPIC Guidelines, National REDD+ Readiness Proposal, Project Design Document for a pilot project led by the PNGFA in Central Suau; REDD+ Safeguards; the Second National Communication on Climate Change, the National Forest Monitoring System, the Intended Nationally Determined Contribution and the Climate Change (Management) Bill. TI-PNG's policy inputs were reflected in the Free Prior and Informed Consent for REDD+ (2014) and draft Benefit Sharing and Distribution System (BSDS) for REDD+ (2015) and in the Proposed Benefit Sharing System for REDD+ pilot project in Central Suau where TI-PNG's role in providing "community level trainings, assistance and advice" was recommended. Despite the productive engagement with the government around the development of many key policies during the reporting period, a setback was seen with the drafting and tabling of the Climate Change Management Bill, which was criticised by TI-PNG and other CSOs for its weak transparency and accountability provisions, failure to provide sufficient time for input and failure to take up civil society's concerns in the final draft that was put before parliament and passed in November 2015. However, in a positive move shortly after the close of the project period the CCDA called for a review of the Climate Change (Management) Act to include provisions for greater civil society and public participation.

The Chapter actively engaged in an ongoing civil society campaign to address the corruptly awarded leases awarded over the past ten years through the Special Agricultural and Business Leases (SABLs). TI-PNG continued joint advocacy and campaigning actions in coalition with Act-Now, the Community Coalition Against Corruption, CELCOR and other national and international CSOs to push the Government to act on the Commission of Inquiry which found in June 2013 that land leases were corruptly allocated, leading to a land grab of 5.2 million hectares of customary land (and close to 12% of the country's land) without the free, prior and informed consent of affected landowners. TI-PNG submitted an open letter to the Prime Minister and joined ACT-Now and Partners with Melanesia in presenting a submission to the Forest Authority on the illegality of ongoing forest clearance on the illegally awarded leases. Some gains were achieved in relation to SABLs and land rights more generally in PNG. In June 2014 there was a positive response from government when the

National Executive Council (NEC) approved to revoke all SABLs recommended by the Commission of Inquiry (COI). Although the revoking of most these leases in practice remained stalled, some victories were achieved such as in Collingwood Bay in July 2015, where the courts revoked the leases and ordered the land be returned to landowners. TI-PNG continued to provide support to communities and individuals affected by the SABLs with targeted legal support (See Outcome 2). At an institutional level as well, TI-PNG achieved some progress in convincing the Department of Lands to establish a Complaints Desk, with the ongoing technical support and oversight of TI-PNG. This complaints desk is the first of its kind in any state agency in PNG, and the Department's willingness to share details of complaints and their progress in addressing them presents an unprecedented step forward in the transparency of the institution. In the months since the close of the project TI-PNG also input to an amendment to the Land Act (1996) which if adopted will resolve many of the key ongoing challenges related to SABLs.

### Vietnam

Towards Transparency Vietnam **led or contributed to 10 civil society recommendations and asks for enhanced transparency and accountability in REDD+ policies and practice** in the reporting period, resulting in **2 positive government responses** and **5 changes in policy/practice** to enhance accountability and transparency of REDD+/forest benefit distribution and grievance redress systems in comparison to the baseline scenario. 4 provincial workshops were held at the beginning of the project to inform and engage REDD+ stakeholders including provincial authorities, international agencies and MASS organisations on the corruption risks TT identified through the REDD+ risk assessment, and secure approval for piloting the community monitoring and grievance mechanism in Lam Dong and Quang Binh. In both Quang Binh and Lam Dong the establishment of citizen monitoring actions stimulated positive responses from local authorities – with a higher degree of accountability among government staff and a willingness to meet and discuss challenges faced by the community. In Lam Dong, as a result, the communities reported an improvement in the efficiency and timeliness of payments through the Payment For Environmental Services scheme, and specific grievances raised by community members were addressed (See Outcome 2). TT also fed into the development of the Lam Dong and Quang Binh Provincial REDD+ Action Plans for the period 2015-2020, providing lessons learnt from the pilot, which have been reflected in the final policies.

TT further utilised evidence and lessons learnt from the community monitoring and grievance mechanism pilots to provide input into national REDD+ policy development, participating in technical working group meetings on the Benefit Distribution System and REDD+ Safeguards. TT's inputs were reflected in the Ministry of Agriculture and Rural Development decisions establishing the REDD+ Fund (Decision No 5337/QĐ-BNN-TCLN) and Benefit Distribution System (Decision No 5399/QĐ-BNN-TCLN) in December 2015. TT organised three national consultation meetings, published a policy briefing on GRMs in collaboration with UNDP and VIFA, and organised visits from MARD officials to the pilot areas in order to share the results and lessons from their approach were carried over into national policy development. TT also responded to the UNFCCC's Standing Committee on Finances' call for inputs related to financing for forests, on their experiences piloting community monitoring tools for forest finance.

### Global

The TI-Secretariat focused its global advocacy efforts to guide good governance reforms by the three multilateral REDD+ funds (the Forest Carbon Partnership Facility, the Forest Investment Partnership and the UN-REDD Programme) and in the UNFCCC negotiations, **contributing to 10 positive reforms in line with TI's recommendations.** In 2013 TI concluded comparative governance research assessments of the three funds, and the remainder of the project period focused on driving change in line with those recommendations. The research process for the assessments was constructive and collaborative; the findings were shared with the respective funds prior to their publication and detailed exchanges and semi-structured interviews were conducted with the funds' secretariats to highlight weaknesses and discuss the recommendations. The assessments were also designed to be living documents--an updated summary of the progress made in line with TI's recommendations has also been shared and discussed with the respective funds, and will be

published in the summer of 2016.

**UN-REDD:** TI was invited to present the findings of the research assessment at the UN-REDD Policy Board meeting in Arusha, Tanzania in November 2014 where feedback from the Board was positive. The report was then posted on the UN-REDD Programme [website](#) and Facebook [page](#) stating that 'the report also makes useful recommendations'. In response to TI's recommendations, a new section on UN-REDD Programme's website shows the [disclosure policies](#) of the three UN agencies. TI's input was also incorporated into a progress-tracking tool designed by the Secretariat to monitor country programmes which now includes a corruption risk element. In a positive move to ensure greater cooperation between civil society and governments at the national level, the UN-REDD Programme amended their rules on targeted support to allow joint applications from government and civil society and Indigenous Peoples. The REDD+ [Academy report](#) encompassed one of TI's recommendations on anti-corruption trainings. In 2014 TI-S made a submission on the discussion paper introducing the UN-REDD programme's strategic framework for the period 2016-2020 and throughout 2015 continued to [inform](#) the governance arrangements for the new strategy. TI's intervention focused on the transparency of the strategy development process, the importance of maintaining the anti-corruption focus and the need to speed up the development of Grievance Review Mechanisms as they move more towards implementation. TI further stressed the critical role that the UN Agencies have in providing leadership - in improving their transparency, in ensuring their grievance mechanisms are in place, well known and providing sufficient feedback and in ensuring adequate codes of conduct are in place. In the discussion around the new UN-REDD strategy and accompanying governance structure at the UN-REDD Policy Board meeting in San José Costa Rica in November 2015, TI's governance assessment was highlighted as a key guiding document.

**FCPF:** TI contributed to the FCPF meeting in November 2014, specifically inputting on the transparency provisions of the Carbon Fund, and in July 2015, where detailed discussions were had with the Manager of the FCPF on TI's recommendations. In a strong step for participation and transparency, the Participant's Committee set up an Independent Oversight Committee made up of representatives from donors, REDD+ countries, civil society, IPs and other international observers to oversee the second evaluation of the FCPF. TI was selected by all observers as their representative on the Oversight Committee. Following engagement with TI, the FCPF created a [new section](#) on their website to make important decisions and documents easily accessible. TI raised concerns on the decision taken to make additional funding allocation decisions intercessionally, and provided input that was taken up to maximise transparency and participation within this new model. As nominated CSO observer for the second FCPF evaluation, TI made interventions to ensure value for money was achieved, clear criteria are adopted for country selection and maximum participation, particularly from civil society was ensured.

**Climate Investment Funds:** Prior to the Climate Investment Funds Committee meetings in November 2014, TI communicated targeted recommendations individually to the Administration Unit and individual government Committee representatives. TI further [submitted recommendations](#) to the [Proposed Measures to Strengthen National-Level Stakeholder Engagement in the Climate Investment Fund](#) that were tabled at the May 2015 CIF Trust Fund Committee Meeting. During this project period TI was also elected to serve as CSO Observer to the Clean Technology Fund of the CIFs. The Climate Investment Funds introduced several reforms that directly draw from TI's recommendations, through the [Measures to Further Improve the Governance of the Climate Investment Funds](#), as proposed to the CIF Trust Fund Committee meeting in May 2015. In line with TI's recommendations, the Committee agreed to progress in clarifying accountability relationships within the CIF governance arrangements, by adopting a CIF Code of Conduct for Committee Members, observers and external consultants, and by enhancing civil society participation by creating a Stakeholder Advisory Network. As per TI's recommendations, the proposal aims to increase resources of local stakeholder consultation and provides assurances that civil society actors can engage in full project cycle monitoring.

**UNFCCC:** In September 2014, TI submitted a set of [recommendations](#) to SBSTA to improve the accountability and transparency of the REDD+ Safeguards Information System (SIS). TI also became a member of and input governance recommendations into the [collective submission](#) by the members of the REDD+ Safeguards Working Group. TI-S and National Chapters advocated jointly with the REDD+ Safeguards Working Group on the

recommendations, ahead and during the COP 20 in Lima. Key government contacts were approached (Indonesia, EU, France, etc.) and an article was published on the TI EU office website. At the SBSTA session in June 2015, guidance for the Safeguards Information System was agreed.  It is positive to see 'further guidance to ensure transparency, consistency, comprehensiveness and effectiveness' on safeguards information systems. However, TI recognises the text only provides minimal guidance. In advance of, and at, the Paris negotiations the global TI Climate Team engaged with governments and negotiators, pushing TI's Recommendations on the Negotiating Text of the COP21 Agreement. The final text delivered an enhanced transparency and accountability framework (Article 13), and highlighted principles of participation (Article 12). Although much remains to be done to operationalise the principles laid out, these aspects fall in line with many of TI's recommendations. The establishment of the Capacity-building Initiative for Transparency is an especially positive outcome that TI Chapters in the project countries will support in the coming years.

### v.    Are the outcomes expected to be sustainable?

TI Indonesia and TI-Papua New Guinea will continue to follow up on the results achieved in the REDD+ Governance and Finance Integrity project and push for further progress by implementing tailored sustainability strategies that were defined during the Learning and Sustainability Review at the close of the project (see the review here). Towards Transparency Vietnam's institutional strategy changed with the registration of the organisation as a Vietnamese NGO at the end of 2015. TT have streamlined their work and will no longer focus on the forestry sector, however the close cooperation with local partners throughout the RGFI project ensures that results will be sustained and scaled up in the future. TI's approach of working in partnerships and coalitions to ensure that anti-corruption messages are mainstreamed on the environmental agenda assures the sustainability of TI National Chapters' advocacy work beyond the project's lifecycle. The project's focus on building the capacity of civil society and government actors to address corruption challenges in REDD+ – for example through the REDD+ Integrity online course, which is free and accessible to all - will also ensure the longevity of TI's interventions to shore up the governance of REDD+ globally.

To ensure the sustainability, learning and scale-up of the results of the project, a guide was developed for civil society actors to serve as a sustainability package, collating knowledge and lesson learned from TI's engagement in climate finance governance at global and national levels.   "Climate Governance Integrity: A Handbook for getting started" includes a wealth of information on climate finance, networking, learning tools, capacity building tools, research and assessment methodologies, advocacy, resource mobilisation, and more.  It is already being used by TI chapters wanting to get involved in climate finance work, specifically in Sub-Saharan Africa where several TI Chapters have drawn from the RGFI project partners' experiences in monitoring and addressing governance challenges in REDD+ projects and policy development.

### 2.5    Are there any internal and/ or external factors that have affected the project in any significant way?
### a)    Please specify deviations from plans.
### b)    Please provide a short assessment of the risks occurred

The project broadly followed the original plans without any major deviation in strategy. However, there were some key external factors that had an impact of project implementation, as well as risks that had to be mitigated in order to achieve successful outcomes. One key risk that was borne out in Indonesia was political change leading to institutional shifts. 2014 was an election year in Indonesia and following the installation of the new government, the agency responsible for REDD+ development, BP REDD+, was dissolved. This had an impact both on the project as TI-I lost its close working relationship with the key agency responsible for REDD+ implementation, and further because new institutional arrangements had to

be made which slowed the development of REDD+ policy and implementation in the country. A further risk that was borne out in Indonesia was a natural disaster – the forest fires that plagued the country in 2015 had some direct impacts on project implementation, as the team was unable to travel to project sites in Jambi province for some months, and further because the MoEF's focus was diverted for some time to address the immediate disaster. Across the board, the slow pace of REDD+ roll-out at the level of project implementation created challenges for all country teams. In Vietnam, this risk was mitigated by focusing on other forest programmes. Finally, governments' unwillingness to take on board civil society input was a challenge especially in Papua New Guinea, where although a constructive relationship had been established with the OCCD (later CCDA), the drive to finalize and push through national climate change legislation in advance of COP21 stymied any meaningful engagement with civil society on the severe flaws in the draft legislation.

## 2.6 Cross cutting concerns. Please report on whether the project has had any effect (positive or negative) on

### a) Corruption

The core purpose and all work under this project was targeted towards reducing corruption. TI's approach to combatting corruption is to work in collaboration with all stakeholders; government, private sector and civil society and to foster systemic change. The project contributed to reducing corruption with targeted policy recommendations to global and national institutions for increased transparency, accountability and integrity, and to practical changes by enhancing public awareness and ability to demand accountability for corruption through outreach activities and the provision of legal support to victims and witnesses of corruption.

### a) Gender equality

All activities under this project have been designed with a view to allow equal gender participation, and to ensure that the specific corruption challenges faced by women are effectively addressed. In the outreach and trainings conducted by TI Chapters, the participation of women was proactively encouraged and documented, and where necessary the Chapters adapted their approaches to ensure safe spaces were provided for women to air their concerns and grievances.

### b) Respect for human rights

Respect for human rights were promoted through all project activities, especially the right to information as a basis for enhanced transparency and reduced corruption, and the rights of indigenous peoples, who were target groups for outreach work in Indonesia, Vietnam and PNG. In each country the chapters collaborated with indigenous people's groups to ensure their rights were respected

## 2.9 Lessons learned. For final report, please summarize lessons learned for the whole agreement period. Both internal and external factors are relevant. What could have been done differently? How can lessons learned be incorporated in future plans? We are interested in learning based on positive and negative experiences.

An independent learning review of the RGFI project was conducted with all project partners in early 2016. Targeted recommendations for each of the country partners were laid out. The overarching lessons learnt and recommendations as identified by the review were as follows:

- **When working at the community level, connect policy monitoring to concrete, locally nominated and defined problems.** If the implementation of REDD+ has not reached the area in the form of carbon sales, talking about preventive anticorruption actions in REDD+ does not connect to the lives of the people. Working on existing problems in forest governance and financing, that people can relate to, is the only way to effectively raise awareness.

- **At the national level, work through strategic partners that are well established, have legitimacy and enjoy public support.** To avoid mishaps when the national level institutional landscape changes after a government reshuffle and short-term politics, choose national-level strategic partners carefully. The organisations that work around corruption are natural partners for TI. It is good to check that institutions have accountability mechanisms and enjoy public support.

- **Use links to the TI-Secretariat to connect national-level REDD+ work to global discourse and regional resources.** The TI-Secretariat has information sources at the global level when information is unavailable or hard to obtain at the national level. This could, for example, support the development of joint strategies to conduct national reviews on the integrity of already disbursed REDD+ or climate change related funds.
  Implementing global concepts (legal advice centres, independent policy monitoring, grievance mechanisms, benefit sharing, etc.) successfully in the local context requires the skills to apply and adapt them. Regional programs can support forums and networks for peer-to-peer learning in already tested smart practices and methods and help analyse why certain concepts work or do not work in the given cultural and socio-political context. This will increase internal organisational learning, and when documented, provide tools for further outreach.

- **Align REDD+ related work with other programs/projects of the chapter. The** various projects of the chapter should form one uniform entity. Collaboration between RGFI and ALAC in Papua New Guinea is a good example of this. Seek synergies and add value: 1) work with the same partners or target areas between projects and programs, 2) prioritise a few clear policy and institutional changes and define a clear role for each program/project to contribute to these, and 3) define chapter-wide smart practices/approaches for promoting community action.

- **Define the role of TI in adding value to the work of other NGOs and civil society coalitions.** Provide targeted corruption-related expertise based on need, instead of implementing REDD+ related projects alone. It is not wrong to ask what other organisations need from TI and what would make their work easier. When the role of TI in a coalition is clear, it is easier to assess the contribution of TI to the success.

| 3 | Case/success story |
|---|---|

See annex.

| 4 | Project's accounts for last year: |
|---|---|

4.1 The accounts must relate to the approved budget for the year in question. All deviations (positive and/ or negative) must be clearly shown and explained.

See final audit report. There were no major deviations from the approved budget.

Date  1st August 2016

Signature

Attachments:
- Final Audited Financial Report
- Norad Menu of Common Indicators
- TI Result Example
- TI Result Example image