

Climate & Environment Assessment

Support to the Transparency and
Accountability Initiative, 2013-16



Sarah Selby

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Report Summary

Evidence on Demand was requested by DFID to carry out a climate and environment assessment for the Business Case: “*Support to the Transparency and Accountability Initiative, 2013-16.*” Core funding will be provided through an Accountable Grant in support of the outcome: “*increased collaboration and support globally for open government, transparency and accountability work.*”

The consultant carried out a Climate and Environment Assessment of the Business Case, which involved: defining the climate and environment context; applying a Climate and Environment Sensitivity Analysis for all three feasible options (to identify climate and environment impacts and opportunities); assigning a final risk categorisation; and finally drafting a Climate and Environment Assurance note.

The nature of the proposed work¹ means that **no significant risks** for climate and environment were identified for the first option (to continue to fund the Transparency and Accountability Initiative (TAI) and the second option (to fund other sector-specific initiatives advancing transparency and accountability). It will be important to minimise the environmental footprint of the intervention (e.g. use of resources, GHG emissions, waste) and given that the TAI does not have policies and procedures in place, this will involve strengthening its environmental commitments and performance.

Both options provide opportunities for further learning, debate and action in support of transparency and accountability in natural resource governance. However, given its cross-field perspective, support to the TAI will also foster linkages on cross-cutting issues such as climate change. Option 1 was therefore rated as **medium for benefits** (and option 2 rated as low). Maximising these opportunities will however, depend on the level of TAI’s environmental expertise and strengthening linkages with relevant initiatives and stakeholders.

In summary, the preferred option from an environmental perspective was option 1 – continued support to the Transparency and Accountability Initiative.

Note to readers: *Climate and Environment Assessments are used to ensure that climate and environment risks and opportunities are considered as part of the process of developing new DFID Business Cases. The CEA presented here is in draft form, as submitted by Evidence on Demand to DFID for quality assurance and approval by a DFID Climate & Environment adviser.*

¹ The Work Plan covers three key areas of work: i) *impact research and learning* in support of more effective interventions; ii) *improving strategic support and use of new technologies* for delivering more effective transparent and accountable interventions; and finally iii) research, discussions and partnerships on relevant *standards, policy and practice* topics and initiatives.



SECTION 1

Climate and environment context

Natural resources present a considerable challenge for transparency. Increasing demand and competition for these resources - notably oil, gas, minerals, forests, fish, water and land - is associated with a number of challenges for the transparency and accountability agenda including: i) overlapping resource claims, allocation disputes and conflicts (particularly between large-scale resource users and local communities); and ii) distribution of benefits and revenues between investors, governments and local communities.²

A large proportion of vulnerable groups depend on natural resources either directly or indirectly. The increased demand for food, water and fuel has put pressure on land, often impacting the poor and marginalised. Yet these impacts are difficult to track systematically given a paucity in data, access to information and accountability.³ It is therefore important to improve the availability and quality of information on natural resource projects and ensure that these groups have access to information on the value of resources, how revenue from these resources is managed, and the policies the government has in place to manage resources sustainably.

Climate change is fast becoming one of the greatest governance challenges. Firstly, climate change is adding to the challenge of natural resource governance (for example changing the availability of water resources). Secondly, given the scale and complexity of climate change and the financial investments required, a well-coordinated system of accountable decision-making is essential. Corruption risks associated with climate change are high given the huge amounts of money flowing through new and untested financial markets and mechanisms, and the high level of complexity, uncertainty and novelty surrounding many climate issues⁴. A robust system of climate governance⁵ will therefore be essential for ensuring the significant political, social and financial investments from the private and public sectors for mitigation and adaptation are properly and equitably managed.

Although the research and experience base is growing on the transparency and accountability agenda, it remains fragmented and there are still big gaps in application⁶. There is a need to focus on reflective, policy-relevant, actionable research and exchanges on cross-cutting and challenging topics including the key issues of natural resource and climate change governance rather than reinforce existing silos in the transparency and accountability field.

² TAI (2010) *Natural Resource Governance: New Frontiers in Transparency and Accountability*.

³ Ibid

⁴ Transparency International (2008) *Global Corruption report: Climate Change*
http://www.transparency.org/whatwedo/pub/global_corruption_report_climate_change

⁵ Defined as: “the processes and relationships at the international, national, corporate and local levels to address the causes and effects of climate change” (Transparency International)

⁶ TAI (2013) *Phase III Strategy and Work Plan 2013-16*



SECTION 2

Climate and environment assessment

Overview

A Climate and Environment Sensitivity Analysis was undertaken for the following feasible intervention options:

- **Option 1:** Continue to fund the Transparency & Accountability Initiative (TAI) for three years;
- **Option 2:** Provide funds for other sector-specific initiatives that advance transparency and accountability; and
- **Option 3:** “Do nothing” counterfactual.

The analysis identified the expected impacts (both positive and negative) and these are discussed below in terms of the effect of:

- i) the intervention options on climate change and the environment; and
- ii) climate change and the environment on the proposed intervention options.

Tables 1 and 2 at the end of this section, provide a summary of the analysis.

i) Effect of the intervention on climate change / the environment

Expected risks:

Direct impacts identified for the first two feasible options are identified below. The third option “do nothing” clearly has no impacts in relation to natural resource use, GHG emissions and waste.

- **Direct use of natural resources**

Implementation of the first two feasible options will directly use resources, notably energy, water and paper⁷ primarily for office based work (given the focus on research, learning, exchange and collaboration). Both options are rated as low risk as the impact is highly likely but limited in terms of the scope and scale of resource use. Furthermore, resource use can be managed with minimal residual impacts if environmental safeguards, for example on green procurement (e.g. the purchase of recycled paper) are identified and implemented across the intervention. For option 2 the range of organisations that will be funded is more extensive and environmental management is likely to be more variable.

⁷ Carbon Management Unit (2009) *Green Office Resource Guide for Climate-Smart Buildings*



- **Direct increase in Greenhouse gas (GHG) emission from travels⁸**

The first two options will directly result in an increase in GHG emissions from in-country and international travel (for data collection, research, learning meetings and workshops). Option 2 involves funding organisations focused on specific sectors or geographies and as a result potentially involves more travel than option 1. Option 2 is still however rated as low risk given the limited scale of impact along with option 1 low risk (low impact but medium likelihood). Again, key measures including restrictions on travel will need to be introduced to offset emissions from travel and mitigate this impact.

- **Waste generation.**

Office based activities associated with the first two options will result in waste, for example paper, food packaging, ink cartridges etc. This is rated as low risk (based on medium likelihood but low impact) for both options. Again, with safeguards in place, this issue can be managed (see Management section).

The following indirect impacts could result from the intervention and include the following:

- **Environmental and climate change issues are not adequately considered in the intervention**

There is a risk that the intervention work activities fail to incorporate some of the cross-cutting issues relating to climate and environment. Given TAI's work to-date - it has already studied some of the key issues through its "new frontiers" studies⁹ and it proposes to include land acquisition as a "hot topic" as part of its Phase III Work Plan - this risk is rated as low (low impact and low likelihood) for option 1. However, it will be important to maximise opportunities to take forward these issues in this next phase of work (see below). For option 2, DFID could pursue work on transparency and accountability on some key sector issues such as natural resource management. However, there is a risk that thematic issues such climate change, which cross-cut sectors could be missed. This risk is rated as medium risk for option 2.

- **E-waste generation from the promotion of new technologies for transparency and accountability**

The proposed use of technology (option 1) could ultimately create a need to consider waste management including recycling. This indirect impact is however rated as low risk, given the high potential for recycling of electronic equipment¹⁰ and low likelihood, (particularly as this issue is outside the immediate scope of the project).

⁸ Kollmus, A. and Lane, J. (2008) *Carbon Offsetting and Air Travel*, Stockholm Environment Institute Discussion

⁹ See for example "Climate Change – New Frontiers in Transparency and Accountability" and "Natural Resource Governance – New Frontiers in Transparency and Accountability." (<http://www.transparency-initiative.org/reports/natural-resource-governance-new-frontiers-in-transparency-and-accountability>)

¹⁰ See for example, UNEP (2009) *Recycling – from e-Waste to Resources*. Available at: http://www.unep.org/PDF/PressReleases/E-Waste_publication_screen_FINALVERSION-sml.pdf



Expected Opportunities/Benefits:

No direct opportunities for the environment and climate were identified given the nature of the intervention activities (establishing communities of practice, stimulating use of new technologies, research, brokering partnerships and building networks).

However, the first two feasible options indirectly provide opportunities to improve transparency and accountability around natural resource management and climate change and these are identified below. The third option “do nothing” clearly misses these opportunities and is discounted from further discussion here.

- ***Opportunity to improve transparency and accountability in natural resource governance***

Option 1: The TAI has existing experience and work underway on improving transparency and accountability around natural resources governance (it is one of its five areas of policy and innovation research). This option offers opportunities to build on TAI’s existing research and learning activities to prioritise: i) engagement with emerging economies (the main source of growing demand for natural resources); ii) strengthening existing initiatives including the work of the Extractive Industries Transparency Initiative (EITI);¹¹ iii) improving the capacity of civil society groups including vulnerable groups to participate in the negotiation of natural resource contracts; and iv) promoting the transparency and accountability of sub-national and traditional authorities involved in natural resource governance. By focusing on cross-sector/group learning, option 1 provides an opportunity to draw together learning from a range of initiatives. For example, the TAI is currently undertaking a mapping/analysis of funding and work underway in the extractives sector to assist collaboration and coordination.¹² This learning can be extended to other resource sectors such as forestry, fisheries and hydropower.¹³ With its cross-field perspective and donor linkages, TAI is well positioned to galvanise debate and action and convene a wide range of actors on natural resource governance across multiple countries. This opportunity is therefore rated as medium (medium probability and impact).

Option 2: Funding a range of initiatives (including the EITI) could support innovative approaches in key sectors (e.g. water, forestry) and geographic areas. This would benefit key sectors (such as natural resource management) and specific aspects of transparency and accountability (e.g. open data). However, overall progress could be limited and it will be more difficult to foster the cross linkages proposed by TAI.¹⁴ Funding multiple programmes also risks “reinventing the wheel” and repetition of failures¹⁵ rather than cross-fertilisation across sectors, countries or regions and could miss opportunities to do innovative joint work with key partners. This opportunity is rated as medium given the high likelihood of sector impact.

¹¹ See: <http://eiti.org/eiti>

¹² TAI (2013) *Phase III Strategy and Work Plan 2013-16*

¹³ Natural Resource Governance – New Frontiers in Transparency and Accountability.”(see: <http://www.transparency-initiative.org/reports/natural-resource-governance-new-frontiers-in-transparency-and-accountability>)

¹⁴ For example enhancing technology for increasing transparency and publishing information on natural resource management.

¹⁵ TAI (2013) *Phase III Strategy and Work Plan 2013-16*



- ***Opportunity to support the transparency and accountability of large scale land acquisitions***

The TAI (option 1) has included land acquisition as a priority “policy hot topic.”¹⁶ Increasing demand for food, water and fuel has increased pressure for land, often impacting the poor and marginalised, yet these impacts are difficult to track systematically given a paucity in data, access to information, and accountability. In their Work Plan, the TAI has identified a number of activities on this issue¹⁷. These include creating new collaborations to improve transparency in land acquisitions, detailed scoping, convening meetings, brokering connections to facilitate exchanges of learning, joint action and funding, and promoting “technical approaches.” The latter includes mapping, visualisations and user engagement to collect and share data. This opportunity can build on the momentum created by the new global guidelines on tenure of land, forests and fisheries¹⁸ and is rated as medium for option 1. Clearly the TAI will need to have sufficient environmental expertise to maximise this opportunity and this is discussed further in the management section. This opportunity is rated as low for option 2 given that this may not be a priority issue for initiatives funded under this option.

- ***Opportunity to harness social media to support transparency and accountability***

The use of social media (e.g. radios/mobiles/GPS technology), creates a significant opportunity to manage or mitigate conflicts over resource use and guard against illegal resource use. For example, by mapping concessions held by resource users, making this information publicly available and promoting GPS technology and mobile telephones to empower local communities to monitor large-scale resource users. This benefit is rated as medium for option 1 (given the potential for significant socioeconomic and environmental benefits) and low for option 2.

- ***Opportunity to improve climate change governance***

The intervention creates an important opportunity for the TAI to move the climate change agenda forward by exploring the contribution that transparency and accountability can play. For example, there is a need to develop a revenue transparency mechanism for the significant revenue flows including those generated by the REDD+ programmes¹⁹ and proposed climate change adaptation funds. By testing best practice from other sectors (including natural resource governance and

¹⁶ This topic along with financial systems has been identified as the policy hot topics for year one (see Work Plan)

¹⁷ TAI (2013) *Phase III Strategy and Work Plan 2013-16*

¹⁸ The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security were endorsed in May 2012 and outline principles and practices that governments can refer to when making laws and administering land, fisheries and forests rights (see www.fao.org/nr/teure/voluntary-guidelines/en)

¹⁹ *Reducing Emissions from Deforestation and Forest Degradation (REDD+)* is a UN scheme aiming to reduce the contribution that deforestation is making to climate change (<http://www.un-redd.org/>). The forestry sector is reported by Transparency International to have a poor track record for corruption and therefore REDD+ will need to tackle many of these corruption risks and in itself raises (see: Transparency International, *Keeping REDD+ clean: a step-by-step guide to preventing corruption* http://www.transparency.org/whatwedo/pub/keeping_redd_clean)



aid transparency), the TAI has an opportunity to promote new strategies for integrating transparency and accountability into climate projects.

Similarly, TAI is in a strong position to continue research on key priorities, specifically: i) innovative policies and programmes to empower citizens to respond to climate change and avoid high carbon pathways; ii) ensuring the poorest and most vulnerable in society are not excluded; iii) revealing power imbalances and contributing to effective regulation in national and international processes; iv) providing better quality and access to information to ensure informed and effective decision making and engagement; and v) providing a robust system of accountability to enable collective action.²⁰ Given that TAI has included climate change as one of its six themes in its policy innovation working group and already has a number of projects in place,²¹ this opportunity for option 1 is rated as medium and based on the rationale described earlier, low for option 2.

ii) Effect of climate change / the environment on the intervention

Expected risks:

Given the nature of the intervention, activities with limited work “in the field,” the assessment identified no direct impacts from climate change and the environment.

Indirect impacts are limited to the following:

- ***Climate change and environmental degradation can impact on natural resource governance.***

Climate change is predicted to have an overall negative impact on natural resource availability; acting as a threat multiplier and increasing the volatility of existing causes of conflict and generating new vulnerabilities relating to the governance.²² For example, climate change has the potential to significantly change levels of water resources across states,²³ impact upon the availability of land (due to saline intrusion) or impact negatively on fisheries.²⁴ This is rated as low risk for both options given the indirect relationship with the project.

- ***Climate change responses make transparency and accountability increasingly important.***

Climate change mitigation and adaptation solutions are potentially associated with new threats to transparency and accountability. For example, changes in food production in some developing countries might increase the focus on large-scale agricultural investments as a way to address food security concerns and this requires land acquisition, which can be a source of conflict if not addressed transparently.

²⁰ See: <http://www.transparency-initiative.org/workstream/policy-innovations/climate-change>

²¹ For example, fostering collaboration with the private sector and another aims to negotiate an agreement and plan for joint action between NGOs in Brazil (see: TAI (2013) *Phase III Strategy and Work Plan 2013-16*).


²² http://www.nato.int/cps/en/natolive/topics_49216.htm and UNEP (2012) *Greening the Blue Helmets: Environment, Natural Resources and UN Peacekeeping Operations*

²³ Natural Resource Governance – New Frontiers in Transparency and Accountability.”

Available at: <http://www.transparency-initiative.org/reports/natural-resource-governance-new-frontiers-in-transparency-and-accountability>

²⁴ IPCC Fourth Assessment Report: Climate Change 2007 see:

http://www.ipcc.ch/publications_and_data/ar4/wg2/en/ch6s6-4-1-4.html



Notably, biofuel investments have motivated some of the large-scale acquisitions in parts of Africa and Latin America.²⁵

Similarly, climate change has the potential to change the level of water resources in many countries) but funds supporting adaptation (“adaptation funds”) have the potential to drive very significant flows of funds into large-scale water management projects (e.g. dams, sea walls, desalination plants). Another example is the emergence of solutions such as the REDD initiative as described earlier, to address climate change, which has the potential to deliver significant economic incentives to preserve forests as global environmental goods, but at the same time introduces considerable concerns that transparency and accountability arrangement need to be put in place.²⁶ This risk is rated as low for both options given the indirect relationship with the intervention.

Expected Benefits/Opportunities:

Tackling climate change and improving natural resource management will not directly impact upon the intended intervention outcome: *“increased collaboration and support globally for open government, transparency and accountability work.”* However, indirect benefits include the following:

- ***Tackling climate change creates an opportunity for raising the profile of transparency and accountability issues.***

The drive to tackle climate change makes transparency and accountability increasingly important. The delivery of effective responses on the ground for climate change means a robust system of climate governance is therefore essential. The profile of this issue has recently been elevated.²⁷ It will therefore be important for TAI to tap into this trend and galvanise action and learning on these issues. This opportunity is rated as low for both options.

²⁵ TAI (2010) *Climate Change: New Frontiers in Transparency and Accountability*. Available at: <http://www.transparency-initiative.org/reports/e3g-research-team-new-frontiers-in-transparency-and-accountability>

²⁶ <http://unfccc.int/resource/docs/napa/sle01.pdf>

²⁷ Transparency and accountability have been an important topic for the UNCCC process (for example Transparency International hosted a side event on climate risk at the Bonn Climate Change Conference: see http://www.transparency.org/news/event/unfccc_side_event_on_climate_finance_risks)



	Option 1: Continue to fund the TAI initiative	Option 2: Fund other sector-specific initiatives that advance transparency and accountability	Option 3: "Do nothing" - counterfactual			
Risks						
<i>Is the proposed intervention likely to contribute to:</i>						
<ul style="list-style-type: none"> climate change 	Direct increase in greenhouse gas emissions particularly from in-country and international travel but limited as activities primarily office based.	Low	Direct increase in greenhouse gas emissions particularly from in-country and international travel but limited as activities primarily office based. Funding a range of initiatives focused on specific sectors and geographic regions could potentially increase transportation requirements and associated emissions.	Low	No intervention and therefore no increase in GHG emissions.	No risk
<ul style="list-style-type: none"> environmental degradation 	Direct use of natural resources and waste generation but limited in scope and scale given desk-based nature of much of the work.	Low	Direct use of natural resources and waste generation but limited in scope and scale given desk-based nature of much of the work.	Low	No intervention and therefore no programme related resource use.	No risk
	Indirect e-waste generation (e.g. promotion of the use of mobile phones/GPS) but outside immediate scope of project.	Low	No key work area promoting new technologies for transparency and accountability.	No risk	No intervention and therefore no e-waste issue.	No risk
<ul style="list-style-type: none"> increased vulnerability to climate change/ environmental degradation 	Climate change and environmental issues not adequately considered but given TAI's experience and previous work on these issues this is of low likelihood.	Low	Cross cutting climate change issues not adequately considered given the focus on sector specific initiatives.	Medium	No intervention and therefore no impacts on vulnerability.	No risk
RISK RATING	C = 4	C	C = 3 B = 1	C	C = 4	C



	Option 1: Continue to fund the TAI initiative	Option 2: Fund other sector-specific initiatives that advance transparency and accountability	Option 3: "Do nothing" - counterfactual			
Positive Impacts						
<i>Could the proposed intervention help:</i>						
<ul style="list-style-type: none"> tackle climate change 	<p>Opportunity to improve climate change governance across a range of initiatives building on previous research experience.</p>	<p>Medium</p>	<p>Opportunity may be missed by given the cross-cutting nature of climate change.</p> <p>Low</p>	<p>Opportunities missed</p>	<p>No benefit</p>	
<ul style="list-style-type: none"> improve environmental management 	<p>Indirectly the TAI could improve transparency and accountability in natural resource use and management across a range of sectors.</p>	<p>Medium</p>	<p>Indirectly the TAI could improve transparency and accountability in natural resource use and management in key environmental sectors (e.g. water, land).</p>	<p>Medium</p>	<p>Opportunities missed</p>	<p>No benefit</p>
	<p>Opportunity to support the transparency and accountability of large scale land acquisitions.</p>	<p>Medium</p>	<p>Opportunity may arise as part of a funded initiative but low likelihood.</p>	<p>Low</p>	<p>Opportunities missed</p>	<p>No benefit</p>
	<p>Opportunity to harness social media to support transparency as part of natural resource management.</p>	<p>Medium</p>	<p>Opportunity may arise as part of a funded initiative but low likelihood.</p>	<p>Low</p>	<p>Opportunities missed</p>	<p>No benefit</p>
<ul style="list-style-type: none"> reduce vulnerability and/or build resilience and adaptive capacity to climate change/ environmental degradation and shocks 	<p>No direct opportunity although indirect opportunity to ensure the poorest and most vulnerable in society are not excluded and participate in negotiations for natural resource contracts in a range of sectors.</p>	<p>Low</p>	<p>No direct opportunity although indirect opportunity to ensure the poorest and most vulnerable in society are not excluded and participate in negotiations for natural resource contracts in key sectors.</p>	<p>Low</p>	<p>Opportunities missed</p>	<p>No benefit</p>
OPPORTUNITY RATING	B =4 C=1	B	B=1 C=4	C	C=5	C

Table 1 Summary of the Impacts of the Intervention on Climate Change and Environment



	Option 1: Continue to fund the TAI initiative	Option 2: Fund other sector-specific initiatives that advance transparency and accountability	Option 3: "Do nothing" - counterfactual			
Risks						
<i>Are the objectives of the project likely to be at risk from:</i>						
<ul style="list-style-type: none"> climate change 	<p>Climate change can impact upon natural resource governance (e.g. changes in availability of water resources).</p> <p>Climate change responses on the ground make transparency and accountability increasingly important (e.g. significant increase in flow of funds).</p>	Low	<p>Climate change can impact upon natural resource governance (e.g. changes in availability of water resources).</p> <p>Climate change responses on the ground make transparency and accountability increasingly important (e.g. significant increase in flow of funds).</p>	Low	No impact	No risk
<ul style="list-style-type: none"> environmental degradation 	<p>Environmental degradation can impact upon natural resource governance (e.g. changes in availability of forest and fish resources).</p>	Low	<p>Environmental degradation can impact upon natural resource governance (e.g. changes in availability of forest and fish resources).</p>	Low	No impact	No impact
RISK RATING	C= 3	C	C= 3	C	C=3	C
Positive Impacts						
<i>Could the outcomes of the intervention be enhanced by:</i>						
<ul style="list-style-type: none"> tackling climate change 	<ul style="list-style-type: none"> No direct benefits identified but the drive to tackle climate change makes transparency and accountability increasingly important. 	C	<ul style="list-style-type: none"> No direct benefits identified but the drive to tackle climate change makes transparency and accountability increasingly important. 	C	No benefits	No benefit



	Option 1: Continue to fund the TAI initiative		Option 2: Fund other sector-specific initiatives that advance transparency and accountability		Option 3: "Do nothing" - counterfactual	
<ul style="list-style-type: none"> improved management of natural resources 	No direct benefits identified but the drive to manage natural resource makes transparency and accountability increasingly important.	C	No direct benefits identified but the drive to natural resource conflicts makes transparency and accountability increasingly important.	C	No benefits	No benefit
OPPORTUNITY RATING	C=2	C	C=2	C	C=2	C
OVERALL IMPACT AND OPPORTUNITY RATING						
OVERALL NEGATIVE IMPACT RATING	C=7	C	C=6 B=1	C	C=7	C
OVERALL OPPORTUNITY RATING	B=4 C=3	B	B=1 C=6	C	C=7	C
A	High potential impact / opportunity					
B	Medium / manageable potential impact / opportunity					
C	No / Low potential impact / opportunity					
D	Core contribution to a Multilateral Organisation					
Overall rating is determined by adding the number of impacts/benefits for each category (i.e. A, B, C, D) and identifying which category has the most impacts/benefits						

Table 2 Summary of the Impacts of Climate Change and the Environment on the Intervention

SECTION 3

Climate and environment categorisation and comparison of options

Overview

On the basis of the assessment for the three feasible options, the final climate and environment categorisation is as follows:

<i>Option</i>	<i>Climate change and environment negative impacts/ risks</i>	<i>Climate change and environment opportunities/benefits</i>
1: Funding the TAI	C	B
2: Fund other initiatives	C	C
3: Do nothing	C	C

Key:

A	High potential impact / opportunity
B	Medium / manageable potential impact / opportunity
C	No / Low potential impact / opportunity
D	Core contribution to a Multilateral Organisation

Table 3 Final Climate and Environment Categorisation

Categorisation Rationale

Key findings are as follows:

- **Options 1** is rated as “**low impact**” (**C**) given that direct negative impacts are limited to generally office based use of natural resources and release of GHG emissions and waste. **Opportunities are rated as “medium” (B)** given the TAI’s experience in galvanising debate and action and convening a range of stakeholders in support of transparency and accountability in natural resource governance and climate change financing.
- **Option 2:** is rated also rated as “**low impact (C)**” and “**low opportunity (C)**” because although funding a number of initiatives may offer opportunities for key sectors (e.g. natural resources), progress would be difficult to track and fostering linkages on cross-cutting issues such as climate change would be more difficult.
- **Option 3:** is rated as “**no impact/opportunity**” as no intervention is established.

The preferred option from a climate change and environment perspective is option 1 – continued support for the TAI.



SECTION 4

Climate and environment management measures

Overview

The section identifies measures for firstly mitigating and managing the climate and environment risks and secondly maximising opportunities identified as part of the climate and environment assessment.

Risks

As highlighted earlier, no significant risks were identified from the assessment, but the following measure is recommended to manage direct resource use, waste and GHG emissions from the intervention.


- **The TAI should develop environmental policy commitments and procedures in line with DFID's environmental safeguards.**²⁸ It is recommended that the TAI develops environmental commitments and implementation procedures to ensure that environmental impacts are reduced as far as possible whilst meeting the intervention mandate. Example measures to minimise the intervention footprint on the environment and global climate could include:
 - measuring and minimising the use of paper, stationary, IT equipment, water etc.;
 - adopting carbon and environmental saving measures (e.g. discouraging travel, reducing emissions from travel, using economy class flights, reducing energy consumed at office locations, offsetting emissions from travel);
 - promoting green procurement (e.g. using recycled paper);
 - applying the waste hierarchy to minimise waste; and
 - communicating, capacity building and training with employees on these objectives.

Opportunities

In order to maximise opportunities, the following measures are recommended for the TAI:

- **Assess staff capacity and if necessary build capacity on environmental and climate change issues.** To maximise opportunities, it will be important for TAI to have sufficient environmental expertise.
- **Strengthen links with relevant initiatives.** It will be important to build existing links with initiatives such as the EITI, which prioritise environment and climate change issues.

²⁸ DFID (2006) *DFID's Approach to the Environment*; and DFID (2012) *Supporting a Healthy Environment: A Fresh Approach to our Work on the Environment*

- 
- **Identify output indicators specific to environment and climate.** Although the TAI has identified generic outcomes and outputs for their “land acquisition” hot topic, it will be important to detail these for other natural resources and climate change issues.
 - **Report on progress towards improving transparency and accountability in natural resource and climate change governance.** It will also be important to agree with the TAI reporting requirements on these issues including indicators of progress in relation to key priorities identified for both policy innovation areas²⁹.
 - **Participate in public forums/platforms** (e.g. UNFCCC conferences) and engage with key stakeholders given the increasing importance of transparency and accountability to the climate change agenda.

²⁹ Priorities for each as identified by TAI are available on their website (see <http://www.transparency-initiative.org/workstream/policy-innovations/natural-resource-governance>)

ANNEX 1

Draft Climate & Environment Assurance Note

Intervention Details		
Title	Home Department	Budget
Provide support to the Transparency and Accountability Initiative, 2013-16	Governance, Open Societies and Anti-Corruption (GOSAC) in the DFID Policy Division	£400,000

Responsible Officers		
Title	Name	Department
Project Owner	Lu Ecclestone	GOSAC
Climate Change and Environment Advisor		

Appraisal	
Success Criteria	Sensitivity Analysis
None	<p>A "Climate and Environment Sensitivity Analysis" was carried out for three options:</p> <p>Option 1: Continue to fund the Transparency and Accountability Initiative for three years</p> <p>Option 2: Provide funds for other sector-specific initiatives</p> <p>Option 3: "Do nothing"</p>
Climate & Environment Category	
Risks	Opportunities
C = low (all options)	<p>B = medium (option 1)</p> <p>C= low (options 2 & 3)</p>

Management		
Risks and opportunities	Climate & Environment Measures	Climate & Environment Measures in log-frame
RISKS		

Impacts of the intervention on climate change/the environment		
<ul style="list-style-type: none"> Low risk of direct increase in greenhouse gas emissions from office based energy use and travel. 	<p>The TAI to develop environmental policy commitments and procedures in line with DFID's environmental safeguards including commitments on GHG emissions in order to reduce the intervention's carbon footprint. For example:</p> <ul style="list-style-type: none"> reducing energy consumed at office locations; reducing emissions from transport by adopting carbon saving measures (e.g. reducing number of flights); developing a detailed travel policy; and communicating, capacity building and training with employees on these objectives. 	
<ul style="list-style-type: none"> Low risk from use of natural resources and waste generation (e.g. 	<p>The TAI to develop environmental policy commitments and procedures in line with DFID's environmental safeguards for</p>	



Management		
Risks and opportunities	Climate & Environment Measures	Climate & Environment Measures in log-frame
office based use of paper, water).	managing these low risk environmental impacts, for example: <ul style="list-style-type: none"> measuring and minimising the use of paper, stationary, IT equipment, water etc.; promoting green procurement (e.g. using recycled paper); and applying the waste hierarchy to minimise waste. 	
<ul style="list-style-type: none"> Low risk of inadequate consideration of climate change and environmental issues. 	The TAI to report on progress towards improving transparency and accountability for natural resources governance and climate change. It will also be important to agree with the TAI the reporting requirements on these issues including indicators of progress in relation to key priorities identified for both policy innovation areas.	➤ Include specific reference to climate change and natural resource governance as part of output indicator 2.1 (materials produced focusing on hot topics).
Impact of climate change/ environmental degradation on the intervention		
<ul style="list-style-type: none"> Low risk of indirect impacts for the transparency and accountability agenda resulting from climate change/ environmental degradation e.g. changes in availability of water resources. 	<p>The TAI to assess staff capacity and if necessary build capacity on environmental and climate change issues. It will be important for TAI to have sufficient environmental expertise on these issues.</p> <p>The TAI to strengthen links with relevant initiatives. It will be important to build existing links with initiatives such as the EITI, which respond to environmental and climate change issues.</p>	
<ul style="list-style-type: none"> Low risk that climate change responses make transparency and accountability increasingly important (e.g. significant increase in flow of funds). 		
OPPORTUNITIES		
Impacts of the intervention on climate change/the environment		
<ul style="list-style-type: none"> Medium opportunity to improve transparency and accountability in initiatives and mechanisms tackling climate change (i.e. climate change governance). 	<p>The TAI to assess and if necessary build capacity on environmental and climate change issues. To maximise opportunities, it will be important for TAI to have sufficient environmental expertise.</p> <p>The TAI to strengthen links with relevant initiatives. It will be important to build existing links with initiatives such as the EITI, which prioritise environmental and climate change issues.</p>	<ul style="list-style-type: none"> Include specific reference to climate change and natural resource governance as part of output indicator 2.1 (materials produced focusing on hot topics).
<ul style="list-style-type: none"> Medium opportunity to improve transparency and accountability in natural resource governance including large scale land acquisition. 	<p>The TAI to identify output indicators specific to environment and climate. Although the TAI have identified generic outcomes and outputs for their “land acquisition” hot topic, it will be important to detail these specifically for other natural resources and climate change.</p>	<ul style="list-style-type: none"> Include specific reference to climate change and natural resource governance as part of output indicator 2.2 (number of “convenings” on hot topics).
<ul style="list-style-type: none"> Medium opportunity to harness social media to support transparency as part of natural resource governance. 	TAI to report progress towards	



Management		
Risks and opportunities	Climate & Environment Measures	Climate & Environment Measures in log-frame
	<p>improving transparency and accountability for natural resources and climate change. It will also be important to agree with the TAI reporting requirements on these issues including indicators of progress in relation to key priorities identified for both policy innovation areas.</p>	
Impact of climate change/ environmental degradation and their management on the intervention		
<ul style="list-style-type: none"> Tackling climate change creates an opportunity for raising the profile of transparency and accountability issues. 	<p>TAI need to participate in public forums/platforms (e.g. UNFCCC conferences) and engage with key stakeholders given the increasing relevance of transparency and accountability. It will be important for TAI to tap into this trend to galvanise action on these issues.</p>	

Evidence
Relevant documents
Business Case and logframe CEA

**SIGNED OFF BY
DATE**