U4-SDC WEBINAR SERIES

U4-SDC Webinar Series on Climate Change and Corruption

We will begin shortly…

Presenters

Andreas Weber
SDC, Policy Adviser, Governance and Anti-Corruption

André Wehrli
SDC, Sector Policy Adviser CDE

Achiba Gargule
Tufts University

Robert Forster
U4 Senior Adviser

Localizing Climate Action: Corruption Risks and Integrity in Locally-Led Climate Action

Wednesday 4th November 2026

1200-1345 CET

Opening: Why this series – what can you expect?

- Climate change is accelerating and has far-reaching and complex implications for almost all sectors. The sheer scale of financial resources involved (up to 9 trillion USD per year) make climate change an "interesting field" for corruption.

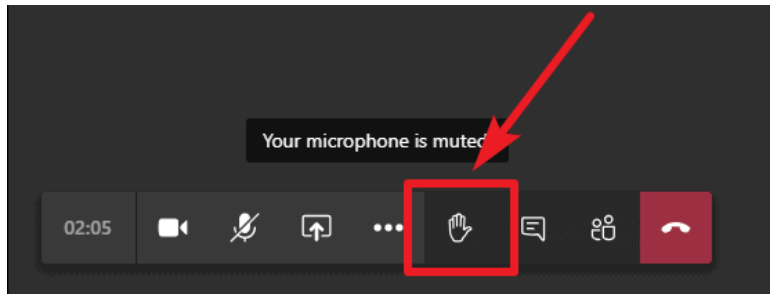
- What & how ➔ 3 online sessions
  - 17.6.26: Understanding corruption risks in climate finance
  - 24.9.26: Corruption and multilateral climate funds
  - 4.11.26: Corruption risk management in locally led climate action

TEAMS Dos and Don’ts

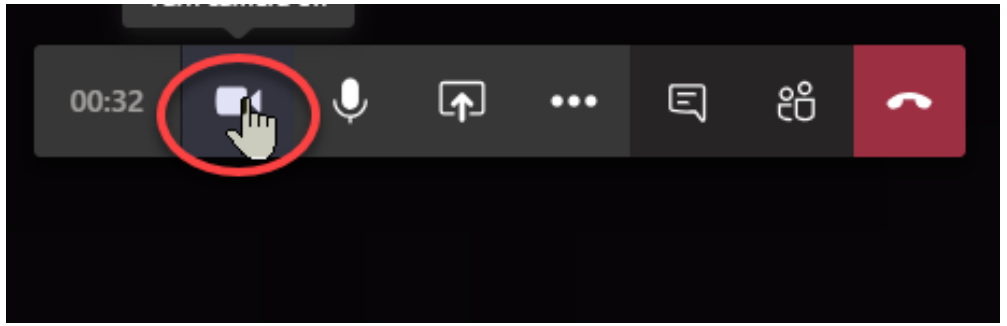
- Mute yourself when not speaking



- Use the “raise your hand” button to indicate the host that you want to speak or share your question on the chat



- Don’t forget that you are visible (if you have your camera on).



How to ask for help

During session:

Contact Priscilla Gonzalez in the chat

Outside of Teams (only if no other options):

Send an email to priscilla.gonzalez@cmi.no

What if you get disconnected?

Click on the joining link and the host will let you rejoin

Agenda

Timing	Topic
1200-1210	Welcome and introduction - André Wehrli (SDC) Framing the challenge: Corruption risks in locally-led climate action – Robert Forster (U4)
1210-1225	The Kenyan FLLoCA Experience: Understanding corruption risks in devolved climate finance – Achiba Gargule (Tufts University)
1225-1255	Panel discussion: Building integrity in locally-led climate action Katherine Browne (Stockholm Environment Institute) Bosko Kenjic (Swiss Embassy in Bosnia and Herzegovina) Ikal Ange'lei (Friends of Turkana)
1255-1315	Q&A
1315-1335	'What can I do?' – Discussion in break-out groups
1335-1345	Closing remarks – Andreas Weber (SDC)

- *No event recording – but information (slides & summary) will be made available and may eventually feed into further research.*

Framing

Guiding questions

Are locally led climate initiatives inherently less prone to corruption than centralised climate finance?

What corruption and integrity risks emerge at subnational and community levels?

What role can civil society, community monitoring, and citizen participation play in strengthening accountability?

How can donors and implementing agencies build effective integrity safeguards into locally led climate action programmes?

Why Focus on Local Climate Corruption?

- Growing emphasis on locally led adaptation
- Increasing flows of climate finance to subnational actors
- Local governments and communities central to adaptation outcomes
- Limited attention to governance and corruption risks at local level
- Need to understand both opportunities and risks
- FLLoCA as model for LCA – Kenya -> Tanzania -> Bangladesh -> Elsewhere

Emerging Lessons from U4's Work

- Many risks are familiar: elite capture, patronage, procurement vulnerabilities, conflicts of interest
- Participation does not automatically equal accountability
- Risks emerge throughout the project cycle
- Integrity and adaptation effectiveness are closely linked
- Strong governance supports resilience outcomes

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Kenya's FLLoCA experience

Corruption risks in devolved climate finance (DCF)

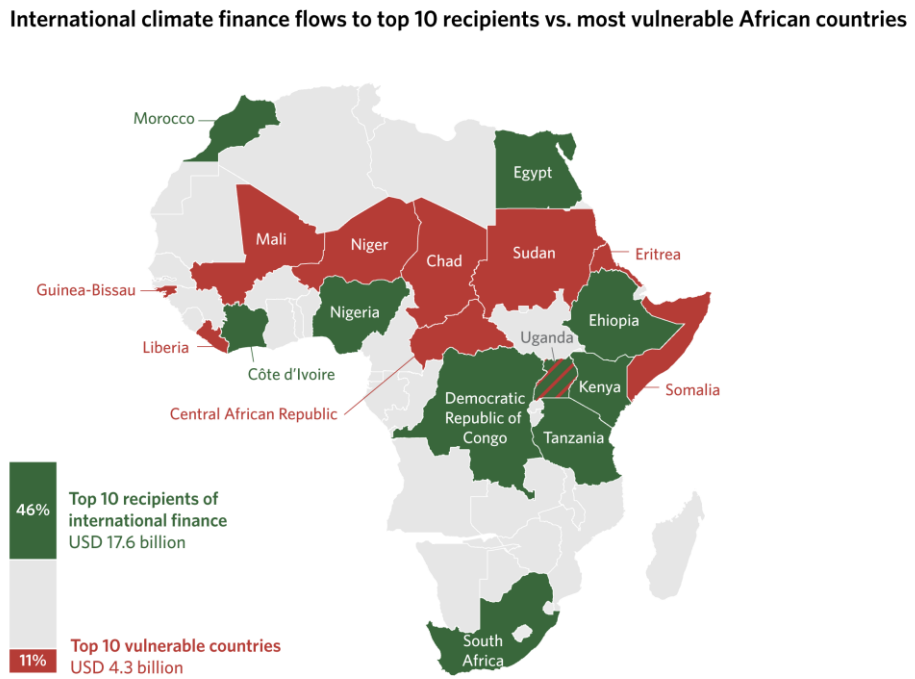
Achiba A. Gargule

Lead author, U4 study (**with Saul Mullard & Robert Forster**)

Understanding corruption risks in devolved climate finance

Is climate finance outpacing integrity safeguards?

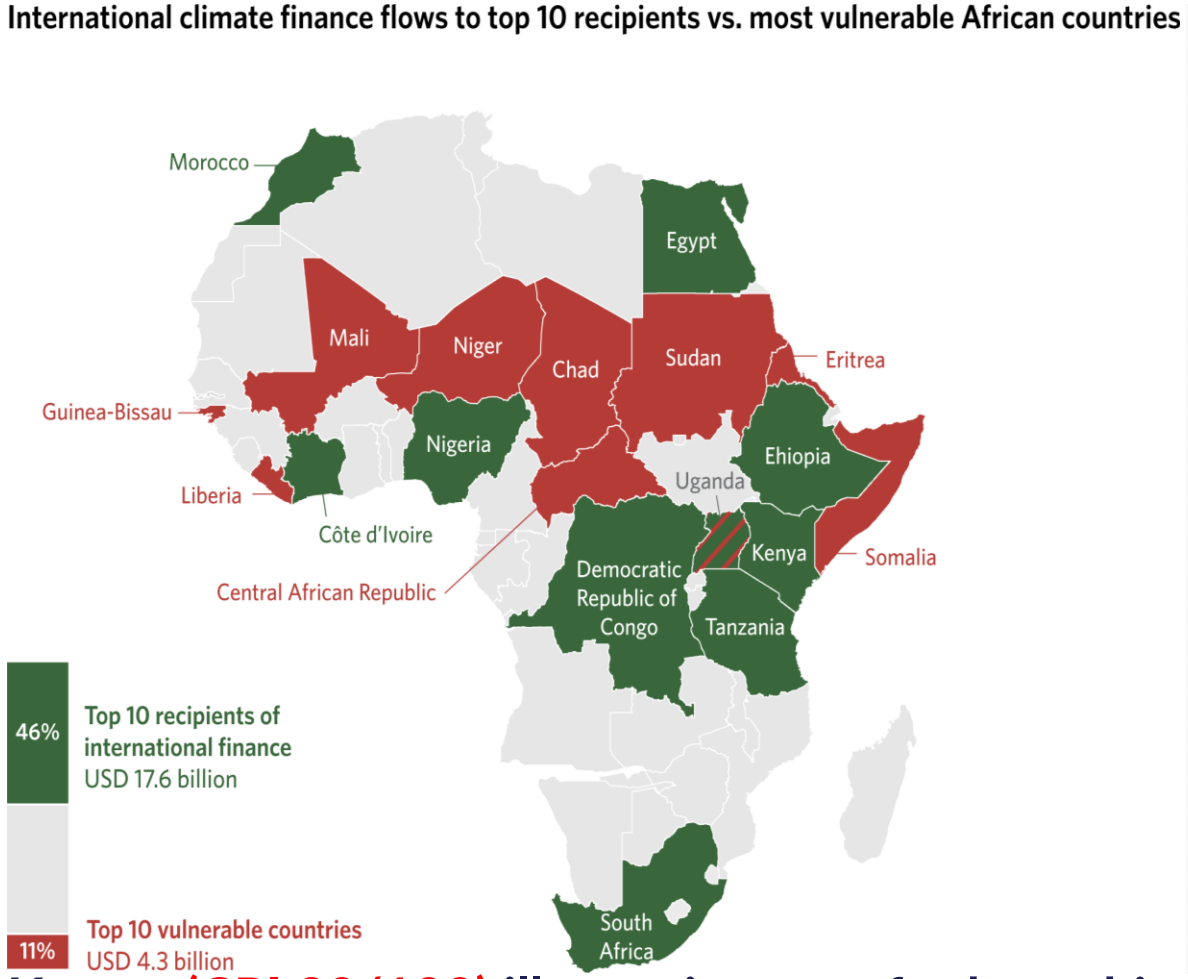
International climate finance in Africa

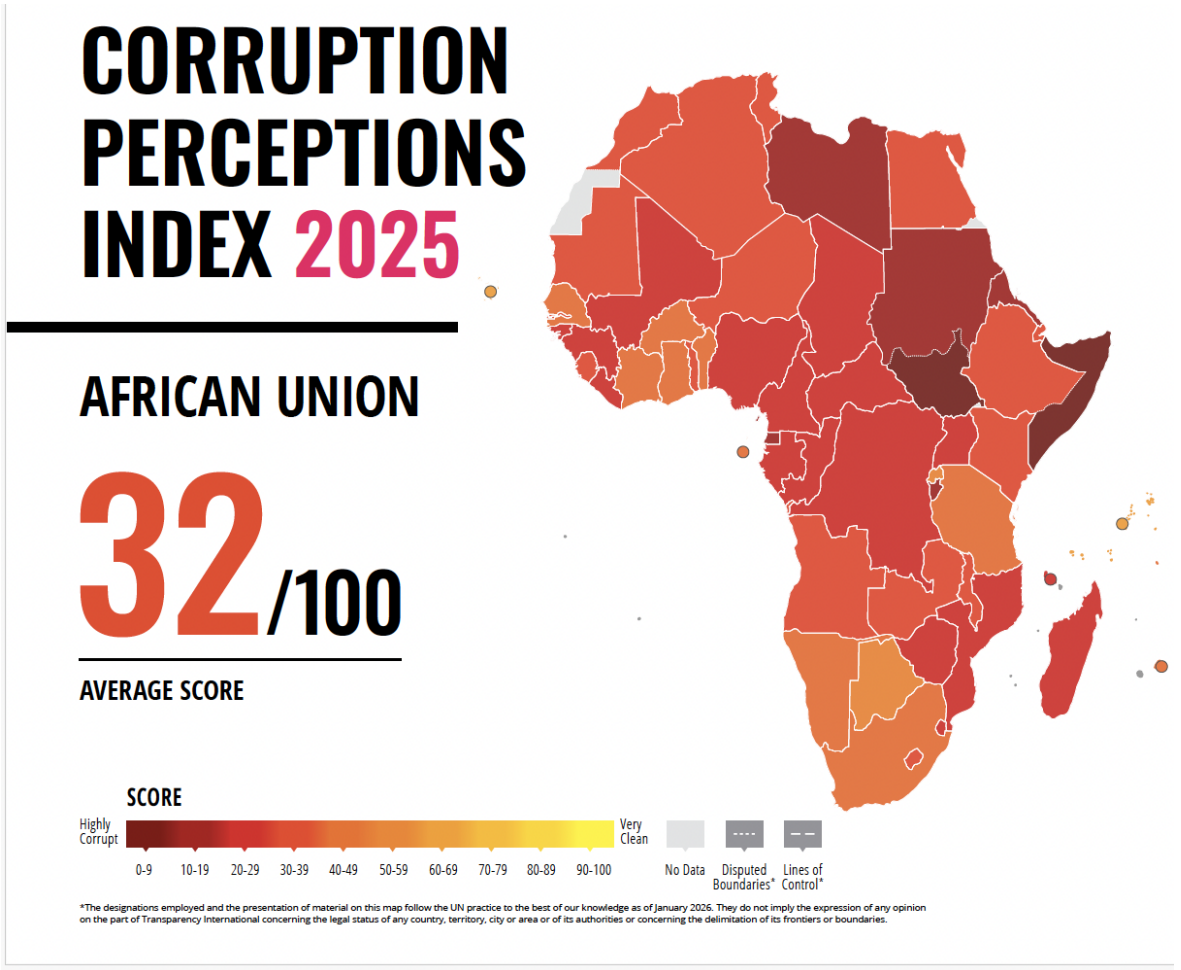


2021/22 annual average. Shares of international climate finance to Africa. Source: Climate Policy Initiative, 2024.

- **Global climate finance: ~US$2.06tn in 2025 (CPI estimate).**
- **Investment needed:** about 4× by 2030 (CPI 2024).
- Many **recipient countries face elevated corruption risk** (Nest, Mullard & Wathne, 2020).
  - Rapid-disbursement pressure increases exposure (Basel Institute, 2023).
  - New institutions, remote delivery and diverse actors widen control gaps (Dupuy & Williams, 2016).
- **Corruption can derail mitigation and adaptation outcomes** (Nest, Mullard & Wathne, 2020).

Africa’s climate-finance growth vs. corruption exposure





Kenya: (CPI 30/100) illustrative case for how this challenge plays out as devolved finance scales.

Kenya: the political economy of corruption

HISTORICAL FOUNDATIONS

Authority and patronage historically fused

- Centralized executive with weak horizontal accountability.
- Ethnic clientelism tied state resources to political loyalty; informal networks often overrode formal rules.

2010 DEVOLUTION

Power and public finance moved closer to citizens

- Constitution created 47 counties, implemented after the 2013 elections.
- The reform targeted centralized power, regional inequality and weak local accountability.
- County executives gained substantial discretion over budgets, procurement, appointments and service delivery.

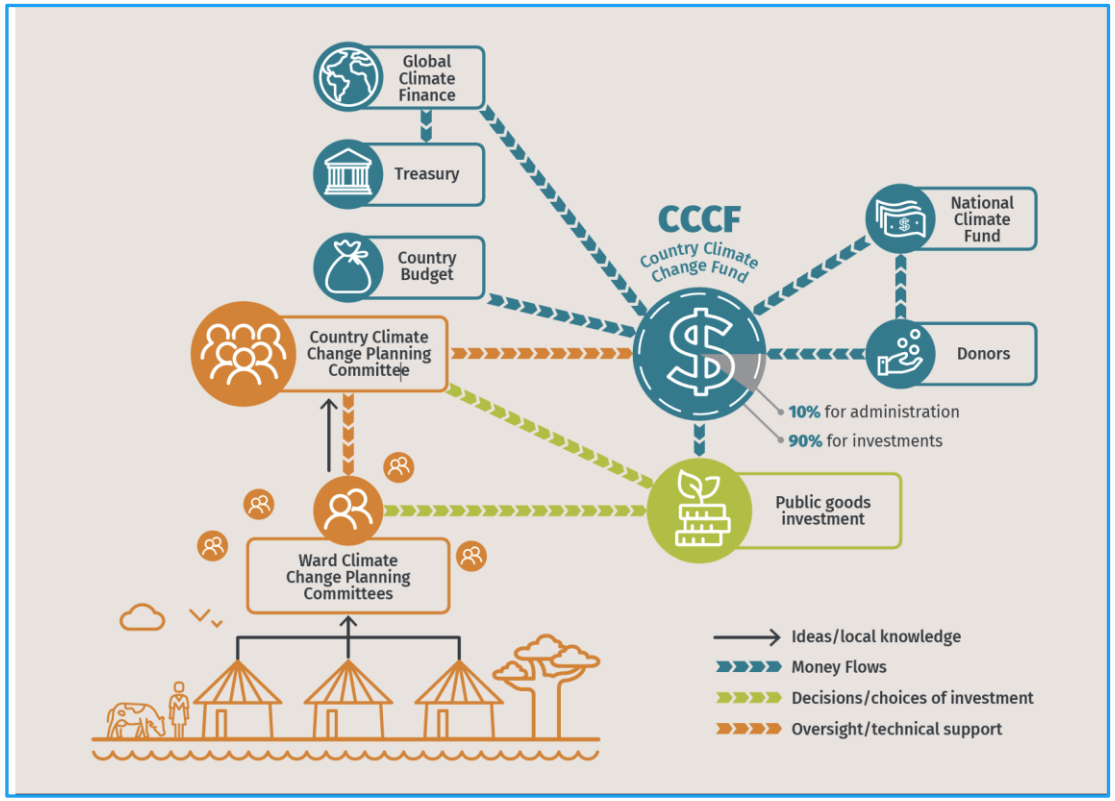
COUNTY POLITICS TODAY

Patronage "adapted" rather than disappeared (Cornell & Darcy 2016)

- Established practices **relocated** into county institutions, producing local patronage networks, ethnic bargaining and elite capture.
- **Loyalty** and **reciprocity** can shield political and business elites from scrutiny.
- Strong formal rules coexist with **weak implementation**, political interference and limited deterrence.

Kenya's DCF and scale-up through FLLoCA

DEVOLVED FINANCE MODEL



Source: Climate Investment Funds 2024

CORE ANALYTICAL FOCUS
Implementation vulnerabilities in FLLoCA delivery

NATIONAL SCALE-UP THROUGH FLLoCA

2011–2013: County Climate Change Funds (CCCF)

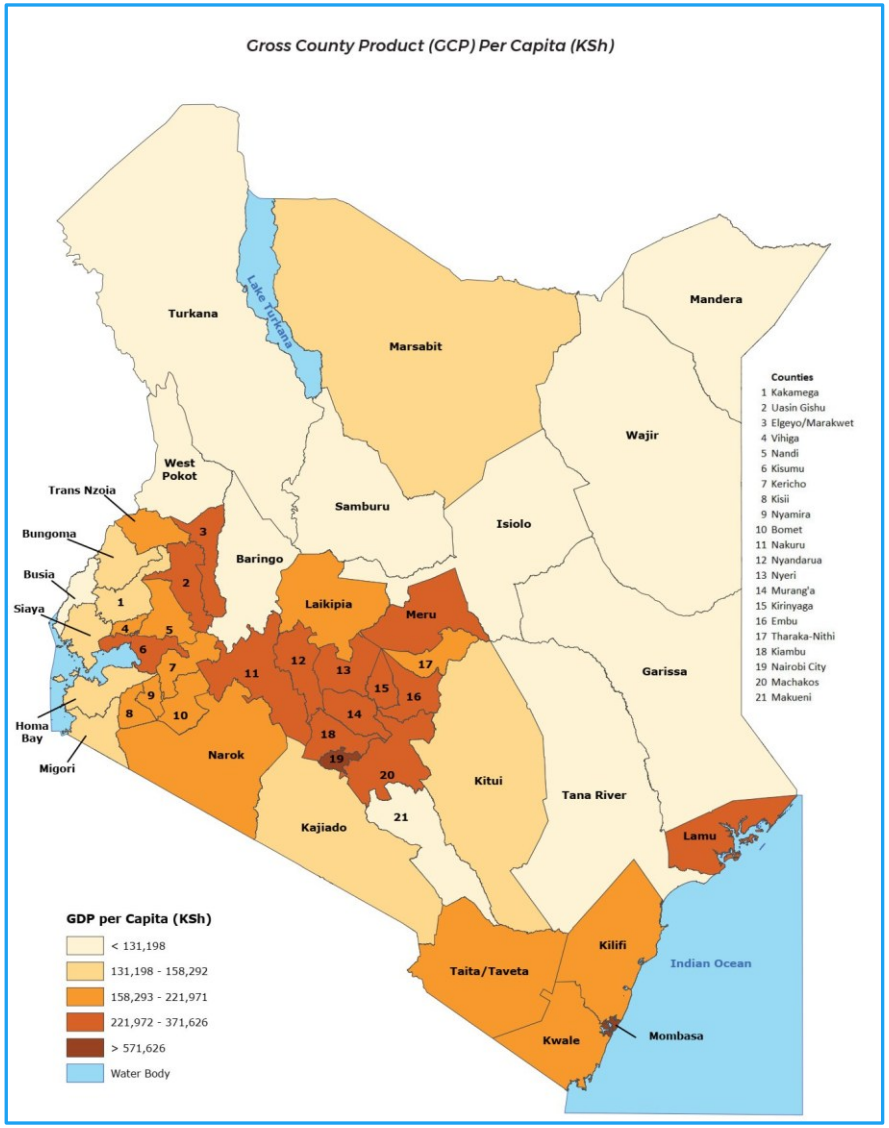
- Pilots funded locally identified adaptation priorities in four counties.
- **2013 devolution**: linked local priorities to county planning and public finance.
- County laws ring-fenced resources and institutionalized ward–county planning.

2021: Financing Locally-Led Climate Action Program (FLLoCA).

- National scale-up through performance-based institutional and investment grants.

- **CCIS**: **US$100,000** per county per cycle for institutional systems.
- **CCRI**: average **US$1.25m** per county annually for climate investments.

U4 study traces corruption risks across Kenya's DCF cycle



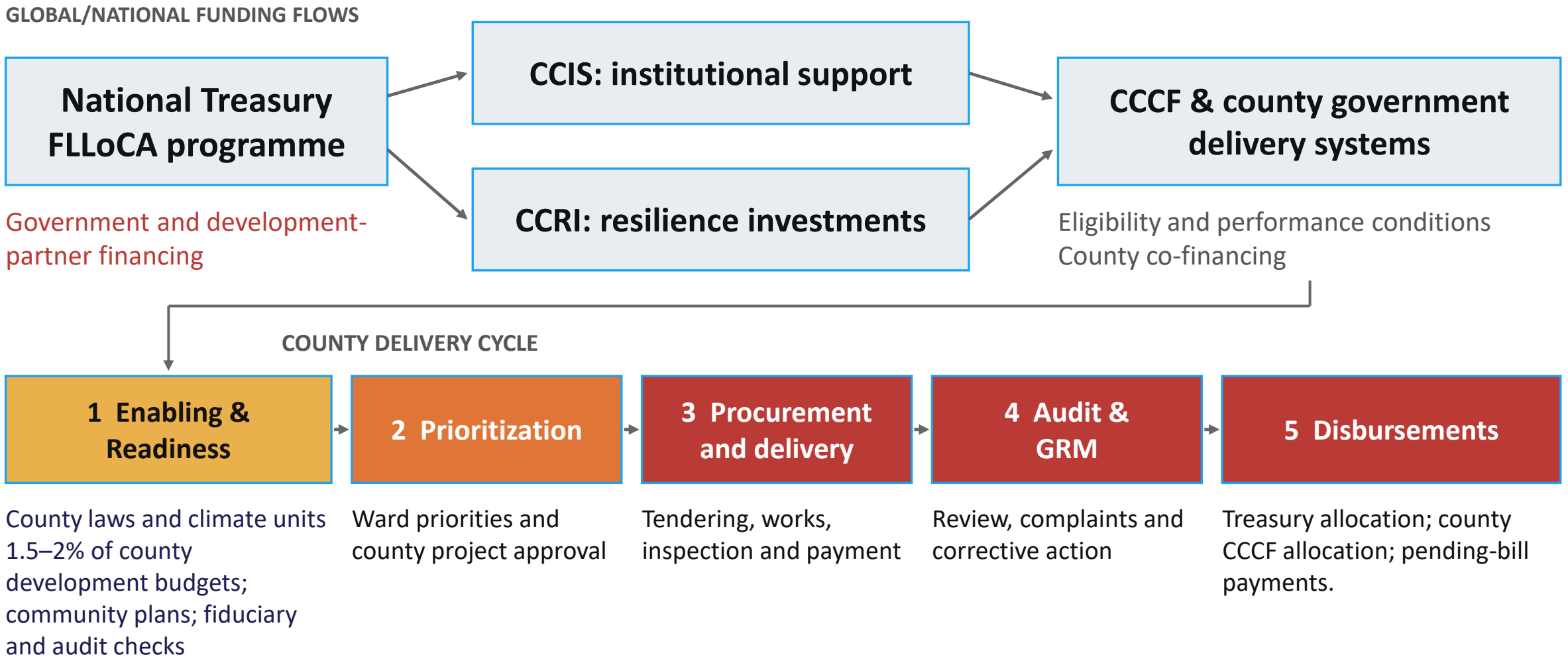
Political-economy diagnosis: how systemic corruption interacts with devolution risks.

Methods: document review, institutional analysis, interviews, ward focus groups and stakeholder validation.

Scope of analysis

- **Three cases:** FLLoCA-funded CCCF investments in Makueni, Isiolo and Kiambu.
  - Selected for geographic diversity and FLLoCA implementation stage.
- **Project cycle:** readiness → prioritization → procurement and delivery → audit and grievance redress.

Kenya's DCF delivery: funds, decisions and participation



Safeguards, disclosure, national audit and GRM span the DCF cycle.

Devolution shifts resources, and corruption risk, downward

Corruption risks in DCF investments accumulate across the county project cycle

1. Readiness

- Expedited procedures
- Political appointments
- Elite capture
- Conflicts of interest

2. Prioritization and approval

- Elite capture
- Pressured allocations
- Rent-seeking projects
- Technical overrides of local priorities

3. Delivery and payment

- Bid rigging
- Fund delay/diversion
- Manipulated inspection
- Payment for incomplete work

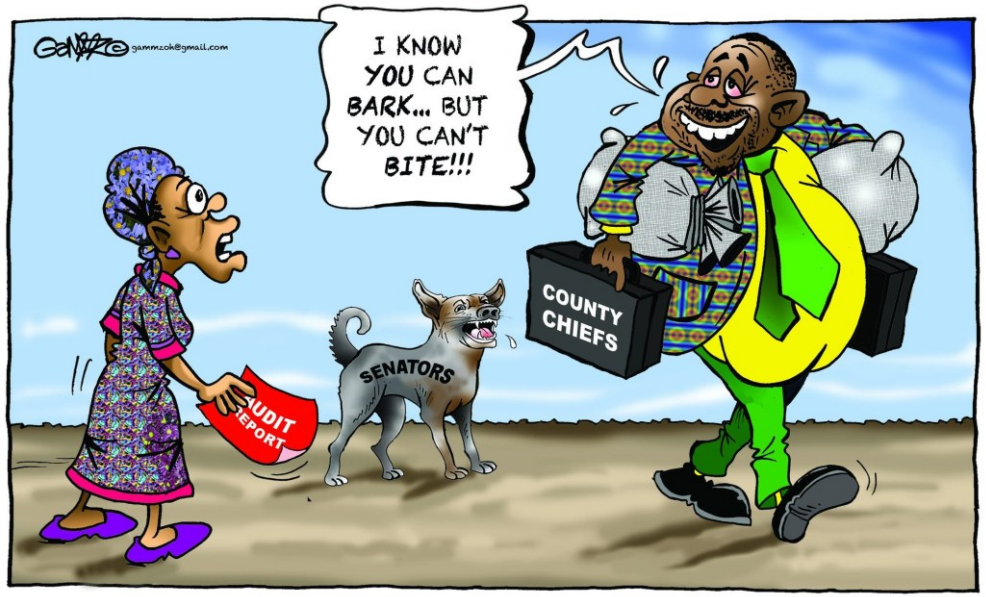
4. Annual disbursement of allocated funds

- Pending-bill diversion
- CCCF used for recurrent costs
- Cash sweeps to county pools
- Misclassified IFMIS transfers

Exposure grows where community participation ends & administrative discretion begins.

Administrative discretion drives county-level risk

Elected governors exercise executive power over county resources, decisions



Executive discretion

Appointments, approvals, procurement timing, cash flow and payment sequencing.

Procurement opacity

Specifications, tender committee appointment and awards can favour preferred bidders, family & business associates of county executives.

Weak ring-fencing

County contributions can be delayed, reallocated or absorbed into wider liquidity management.

Compromised inspection

Incomplete or substandard work can be certified and paid.

Informant-reported illustration

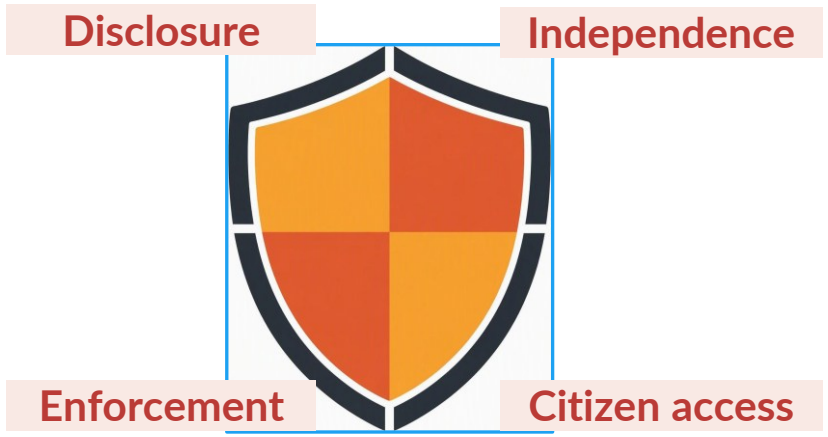
One ward priority reportedly shifted from a water pan to a borehole, followed by rapid contractor mobilization. Not a verified corruption case.

Safeguards alone cannot prevent corruption

FLLoCA safeguards: participatory planning, performance conditions, PFM controls, internal audit, grievance mechanisms, CSO oversight and donor reporting.

- ❖ **DCF lacks a tailored, programme-wide corruption risk assessment and AC strategy.**
- ❖ **Safeguards rely heavily on high-risk county systems; weak in remote locations, where formal monitoring is weak.**

Safeguards implementation gaps



Disclosure
- Project, procurement, spending and performance data remain hard to access.

Independence
- County audits are under-resourced and compliance-led; self-monitoring and GRM can reproduce executive influence.

Enforcement
- Audit follow-up is slow, uncertain or can be compromised.

Citizen access
- Marginalized groups may not understand, access or trust grievance channels.

Corruption risks weaken climate resilience

❖ Respondents: “corruption weakens adaptation, not only financial, outcomes.”



Misallocated resources

- Funding can bypass the most climate-vulnerable wards or groups.

Weaker investments against climate risk

- Rent-seeking projects can displace stronger resilience investments.

Adaptation assets that fail

- Substandard assets can fail under climate shocks.

Unequal access and tensions

- Control of shared resources can intensify local tensions, inter-group conflict

Eroded trust in DCF

- Repeated failure erodes trust and locally-led climate action.

Strengthening transparency and accountability in DCF

- **DCF integrity is a condition for adaptation effectiveness, not merely compliance.**
- **Scale-up must pair DCF with locally tailored accountability from the outset.**

Design integrity and accountability into DCF delivery

Embed decision rights, verification and corrective action. Publish budgets, contracts, spending, progress and results.

Strengthen the role of national oversight institutions in DCF

Use joint climate-finance audits, track corrective action, and audit value and asset quality after delivery.



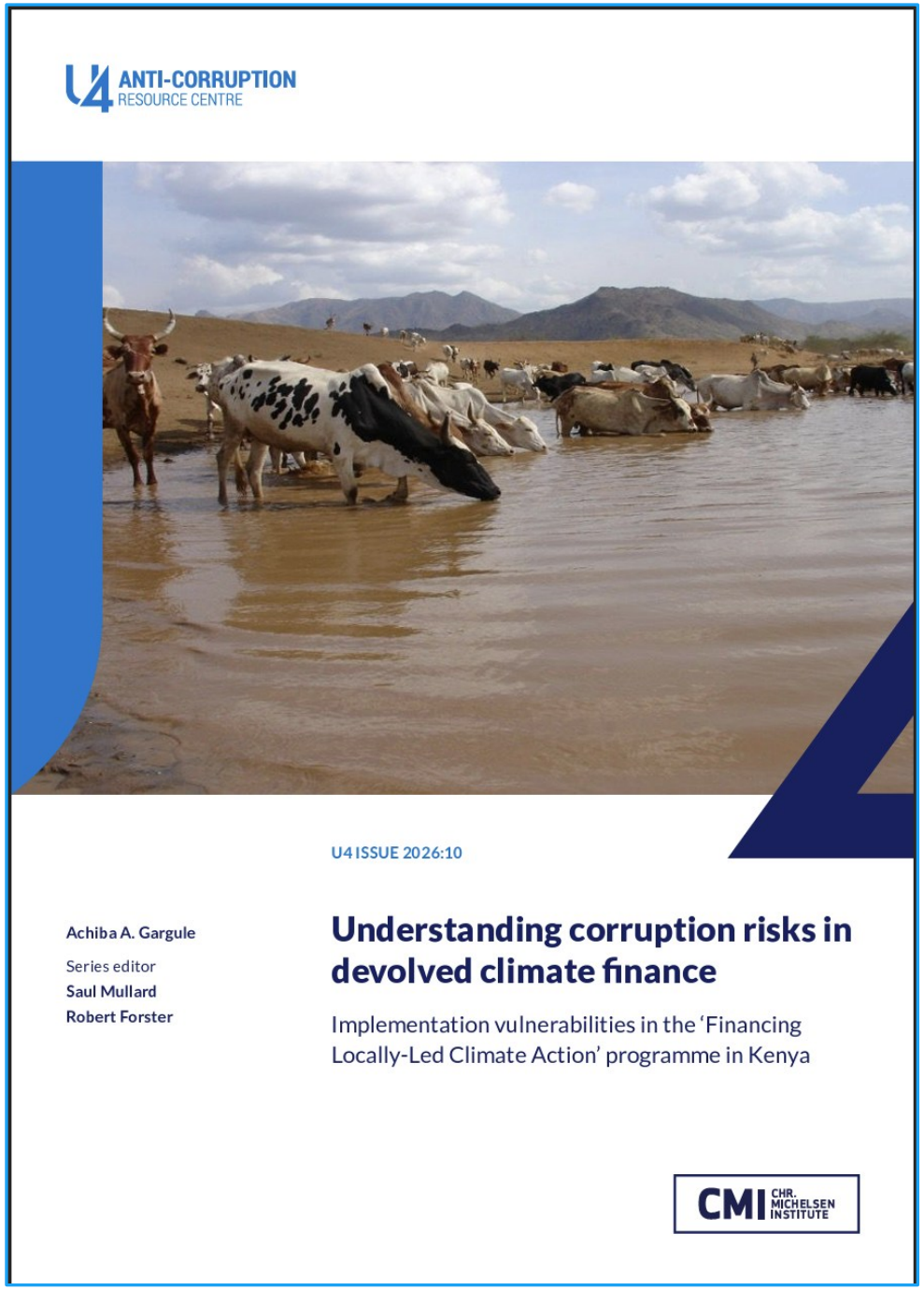
Protect DCF allocations & enforce timely transfers

Ring-fence allocations; transfer promptly to dedicated accounts; manage pending bills transparently.

Strengthen citizen and CSO oversight

Monitor procurement, construction, inspection, payment and grievance escalation. Citizen and CSO oversight is critical where formal monitoring is weak.

Strengthen safeguards and performance-based incentives: condition continued grants on county contributions, disclosure, asset quality and corrective action.



New U4 case study on corruption risks in Kenya's devolved climate finance

SCAN TO READ
THE FULL PUBLICATION

Speaker Interventions

An “imperfect equity” approach to international adaptation finance

Katherine Browne, Senior Research Fellow

SEI Stockholm Environment Institute

U4 Series on Climate Change and Corruption

November 4th, 2026

Reaching the “particularly vulnerable”

- Vulnerability/country ownership established under UNFCCC
- Communities prone to unequal power dynamics, instability, and conflict -> “corruption” and misuse of resources
- Result: moderately vulnerable get the most funding/support
- Challenge: How to balance responsible use of scarce resources and need to benefit most in need?



Credit: Power Shift Africa

Adaptation Fund in Madagascar



- 60+ interviews, 500 household surveys
- Most project resources distributed for personal and political gain
- National: political/ethnic site selection; consultancy and salary kickbacks
- Local/implementation: political connections influence participation; benefits exchanged for bribes/hosting/political support

Map of surveyed areas in Alaotra-Mangoro region in: Browne, K. E., & Razafiarimanana, C. (2022). Adaptation finance failing to reach the most vulnerable: A multi-level model of household political power in Madagascar. *PLOS Climate*, *1*(12), e0000050.

An “imperfect equity” approach

- Patronage (and clientelism) deeply entrenched, often legitimate
- Focus on positive outcomes and circumstances under which they occur
- Reaching most vulnerable requires:
  - Accepting trade-offs/tolerating imperfect governance
  - Contextual knowledge, esp. balance of power between groups
  - Enabling “downward accountability”
- But…serious risks

Browne, K. E., Razafiarimanana, C., & Jogannah, R. (2024). Informal institutions and “Imperfect Equity” in internationally financed adaptation in Madagascar and Mauritius. *World Development*, *181*, 106678.

Switzerland.

Embassy of Switzerland in Bosnia and Herzegovina

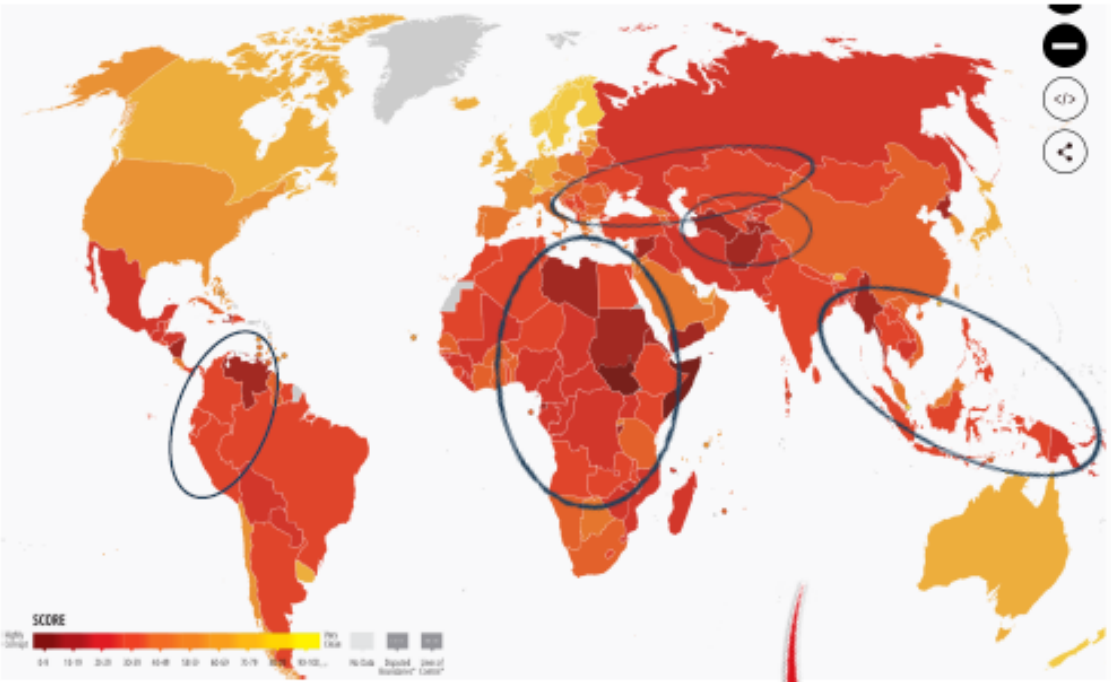


Integrity management in complex environment

Corruption risk management in locally led climate action

November 4th, 2026

Global and local context



BOSNIA AND HERZEGOVINA

Score
34/100

Rank
109/182

Score change
+1 Since 2024

Score changes 2012 - 2025





SCORE CHANGES SINCE 2012

31 Countries improved

50 Countries declined

100 Countries didn't change

10 – 30% lost in public works globally

Source: Transparency International

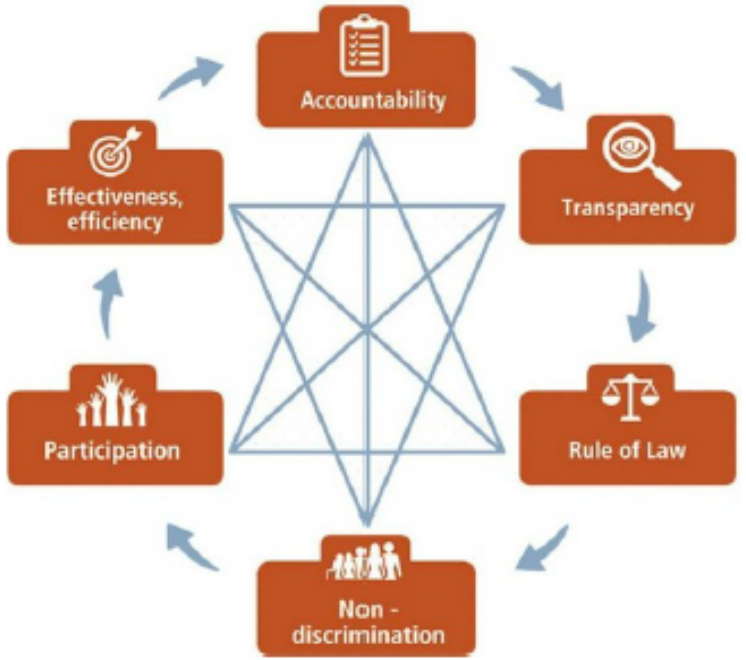


State capture index 2/5

- Rooted political clientelism
- Shrinking space for CSO
- Democratic mechanisms formally established but not functional
- Low transparency and accountability

Principles of Swiss engagement in BiH

- Zero tolerance policy on corruption and any form of abuse, exploitation and harassment
- Concept for mainstreaming anti-corruption across Cooperation Programme
- System level + infrastructure development
  - Water supply & sanitation, DRR, district heating
- Piloting / scaling-up / system level change
- Good governance principles
- Performance-based management
- Procurements by local partners







Opportunity + Lack of controlling = Corruption risk

- Partner Risk Assessments
- Partners have better understand of corruption and mindset change
  - high tolerance on corruption, conflict of interest, abuse of power…
- Strengthening Integrity management
  - assessment, ethical codex, Integrity management plans, monitoring, reporting, capacity building
- Monitoring of procurement processes
- System change at the local level is possible and rather fast
  - limited impact at society level
- High corruption risk in infrastructure investments
  - capacities and procedures of implementing partners (MDBs…)



DRR
DISASTER RISK REDUCTION

DISASTER RELIEF IS NOT CASH MACHINE

- opportunity – high risk
- preparedness, transparency, controlling, reporting

Switzerland.

Embassy of Switzerland in Bosnia and Herzegovina



Ikal Ange’lei
Friends of Turkana

Discussion

Please put questions in the chat or raise your hand.

Break out groups

‘What can I do?’

Group discussion

- what is a risk you have seen in practice?

- how can you in your role, act on that risk?

- what is a concrete step for yourself/what could have been done differently in the project?

Instructions for group work

1. Will break into 3 groups
2. Moderator – either Robert Forster (U4), Achiba Gargule (Tufts), and Andreas Weber (SDC) – will engage the group
3. Answers will be populated into a Google doc slide
4. Discussions will be reflected on in the closing

Key points from today

Local level is equally prone to unequal power dynamics and hence corruption

- Who is local?
- Local knowledge indispensable to understand power dynamics

Corruption is a complex, adaptive system (eg. devolution in Kenya)

Trade-offs/ imperfect governance: vulnerability, national ownership

But be aware: participation / transparency matters, but does not mean accountability (enforcement)

Different actors have leverage

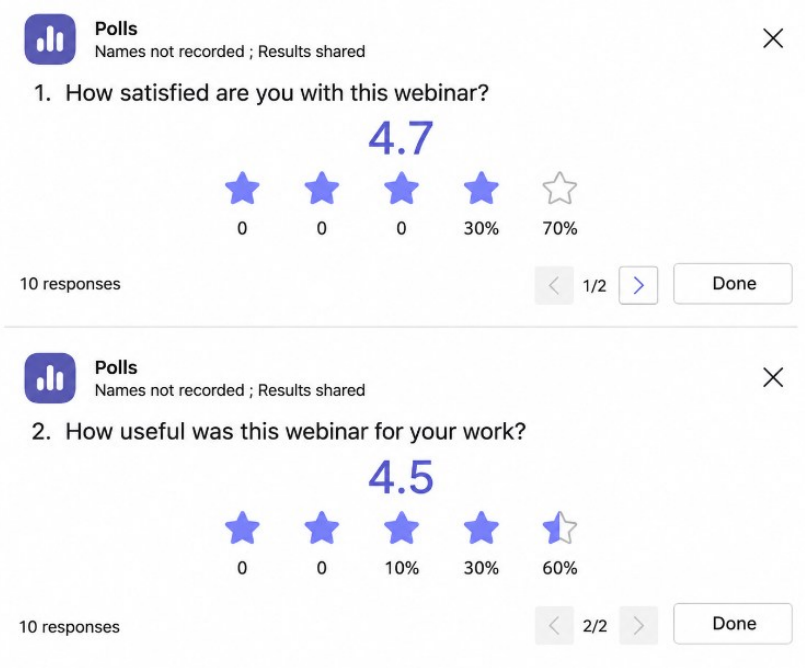
- Donors: demand/design integrity, mainstream anti-corruption/good governance, performance based models (Kenya, BiH)
- CSOs: oversight

the tension between reaching the most vulnerable and using funds responsibly, patronage at local level, zero tolerance written into contracts, and corruption rising with less democratic space.

“local” needs defining, accountability runs upward, land rights must be settled before finance, and readiness and cross-border conflicts of interest need to be examined beyond audits and procurement.

Wrapping-up

- More material is available (see QR codes on final slide)
- Please tell us what you thought of this webinar (Teams poll pop-up)



Thank you for your attention!



SDC Network **Climate, DRR & Environment**

PEACE GOVERNANCE EQUALITY

CMI | U4 ANTI-CORRUPTION RESOURCE CENTRE