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Climate financing: institutional effectiveness of the national fund on climate change

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There is broad scientific consensus about the climate emergency. Governments have intensified mitigation and adaptation actions by conducting climate finance through national climate funds. In 2009, the National Fund on Climate Change (FNMC) was established in Brazil. Analyzes on climate finance have intensified after 2020, and there are few empirical studies on these funds. This article contributes to this gap by analyzing the institutional effectiveness of the FNMC through desk research in the period from 2009 to 2020, considering 21 indicators distributed in five dimensions. This study identifies the main challenges to the FNMC's institutional effectiveness, recognizing its importance in helping Brazil meet its commitment to international climate goals by reducing greenhouse gases (GHG), strengthening research, and increasing investments in climate change projects. The results reveal great fragility in the FNMC's institutional effectiveness. None of the five dimensions analyzed had all indicators satisfied, and resource mobilization and sustainability were identified as the main challenges to the FNMC's institutional effectiveness.

Keywords: national climate funds; Brazil; climate governance; fiduciary funds; local government.

Financiamento climático: eficácia institucional do Fundo Nacional sobre Mudança do Clima

Atualmente há amplo consenso científico sobre a emergência climática. As organizações públicas têm intensificado ações de mitigação e adaptação, conduzindo financiamentos climáticos por meio de fundos nacionais do clima. Em 2009, foi instituído no Brasil o Fundo Nacional sobre Mudança do Clima (FNMC). As análises sobre financiamento climático se intensificaram a partir de 2020, mas ainda há poucos estudos empíricos documentando as experiências sobre esses fundos. Este artigo contribui para essa lacuna, analisando a eficácia institucional do FNMC mediante pesquisa documental, no período de 2009 a 2020, considerando 21 indicadores distribuídos em cinco dimensões. Identificar quais são os principais desafios para a eficácia institucional do FNMC é importante, pois a sua capacidade e continuidade colaboram com as metas internacionais assumidas pelo Brasil para redução de Gases de Efeito Estufa (GEE) e fortalecem os estudos e investimentos em projetos sobre mudança do clima. Os resultados revelam grande fragilidade na eficácia institucional do FNMC, visto que, nenhuma dimensão tem atendimento satisfatório em todos os seus indicadores, sendo a mobilização de recursos e sustentabilidade o principal desafio para o FNMC.

Palavras-chave: fundos nacionais do clima; Brasil; governança climática; fundos fiduciários; governo local.

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Financiación climática: eficacia institucional del fondo nacional para el cambio climático

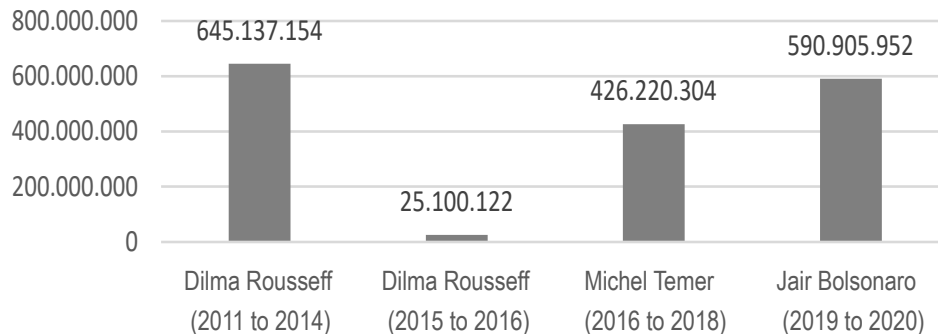
Actualmente existe un amplio consenso científico sobre la emergencia climática. Las organizaciones públicas han intensificado las acciones de mitigación y adaptación llevando a cabo la financiación climática a través de fondos nacionales del clima. En 2009, fue instituido en el Brasil el Fondo Nacional sobre el Cambio Climático (FNMC). La investigación sobre financiación climática se ha intensificado desde 2020, pero todavía hay pocos estudios empíricos sobre estos fondos. Este artículo contribuye a este vacío analizando la eficacia institucional del FNMC a través de la investigación documental, en el período de 2009 a 2020, considerando 21 indicadores distribuidos en cinco dimensiones. Identificar los principales desafíos a la eficacia institucional del FNMC es importante, ya que su capacidad y continuidad colaboran con las metas internacionales asumidas por Brasil para la reducción de Gases de Efecto Invernadero (GEI) y fortalecen los estudios e inversiones en proyectos de cambio climático. Los resultados revelan una gran fragilidad en la eficacia institucional del FNMC, ya que ninguna dimensión tiene una asistencia satisfactoria en todos sus indicadores, constituyendo la movilización de recursos y la sostenibilidad los principales desafíos para el FNMC.

Palabras clave: fondos nacionales para el clima; Brasil; gobernanza climática; fondos fiduciarios; gobierno local.

1. INTRODUCTION

More than 11,000 scientists have unequivocally and explicitly stated that the world is facing a climate emergency (Ripple, Wolf, Newsome, Barnard, & Moomaw, 2020). The Intergovernmental Panel on Climate Change (IPCC, 2022) has stated that there has been a surge in Greenhouse Gas (GHG) emissions as of 2019, and has underscored the pressing need for climate action to avert sudden and irreversible changes to the environment that would affect all life forms. Since 2009, following the Copenhagen Agreement, the climate finance administration is no longer confined to a small group of major funds associated with the United Nations Framework Convention on Climate Change (UNFCCC). This has led to a new landscape wherein numerous public, private, bilateral, and multilateral sources help countries enhance their climate change efforts (Flynn, 2011).

Regarding national climate finance, grants, and concessional loans serve as the primary financial instruments for developing countries, but governments have aimed to expand these instruments by establishing National Climate Funds (NCFs) and national and multilateral development banks (Rai, Kaur, Greene, Wang, & Steele, 2015). NCFs assist countries in “managing climate finance and achieving their sustainable development goals” (Flynn, 2011, p. 45). Law No. 12,114 of 2009 (Lei nº 12.114, de 9 de dezembro de 2009), established the National Fund on Climate Change (FNMC) in Brazil, to provide resources to support projects or studies, and to provide financing for climate change mitigation and adaptation measures. The FNMC operates in two modes, either as refundable or non-refundable. It falls under the purview of the Ministry of the Environment and Climate Change (MMA) and comprises a management committee, headed by an executive secretary responsible for overseeing financial matters. The FNMC’s operational strategy, guided by institutional responsibilities, is set out in the Annual Resource Application Plan (PAAR), which is prepared by the MMA, and approved by the management committee. Graph 1 shows that effective payments from the Federal Government budget towards FNMC-related expenses totaled R\$ 1,687,363,531.97 between 2010 and 2020. Notably, over 92% of these payments were allocated to the National Bank for Economic and Social Development (BNDES) for project financing. However, as of December 31, 2020, the BNDES had disbursed only about BRL 580 million in loans, leaving a substantial balance, exceeding BRL 1.2 billion (MMA, 2021), of FNMC resources available for new contracts.

GRAPH 1 TOTAL EFFECTIVE FNMC PAYMENTS PER PRESIDENTIAL TERM - 2009 TO 2020

Source: Elaborated by the authors based on data from the Integrated Planning and Budget System (2022).

The FNMC serves as a catalyst for investing in projects targeting climate change actions. Both its continuity and effectiveness reinforce Brazil's commitment to international goals for GHG reductions, while also bolstering and expanding research and investments in projects addressing climate change-related issues. This article explores the primary challenges facing the institutional effectiveness of the FNMC, with a focus on analyzing five dimensions, as proposed by Sherifdeen, Nurrochmat, Perdinan, and Di Gregorio (2020): Legal and regulatory structure: it should be robust, transparent, and function effectively, ensuring accountability and clarity; Resource mobilization and sustainability: it should be able to mobilize funds in a timely, predictable, innovative, and sustainable manner; Governance and resource allocation: it should exhibit appropriate and efficient management, that is inclusive with fair decision-making processes, and support the country's climate change policies and actions. Monitoring and evaluation: it should be effective in generating valuable insights to understand the efficacy of implemented measures. Accountability and transparency: it should publicly and transparently disclose relevant information, to evaluate whether stakeholders have fulfilled their responsibilities to ensure legitimacy.

2. MATERIALS AND METHODS

Sherifdeen et al. (2020), devised a comprehensive methodology encompassing indicators for evaluating the institutional effectiveness of national climate finance mechanisms. The authors employ the term "institutional effectiveness" to refer to institutional capacity for attracting and managing climate finance appropriately, and to monitor and evaluate impacts. Through an extensive literature review on climate finance frameworks and principles, Sherifdeen et al. (2020), identified 21 indicators, which they categorized into five dimensions:

Legal and regulatory structure

1. Clarity of laws and regulations governing the fund.
2. Laws and regulations are not contradictory or overlapping with other institutions.
3. The laws allow for the maximum and efficient mobilization of funds.
4. The laws allow efficient/timely disbursements and allocations.
5. Laws and regulations have increased/improved the transparency and accountability of the fund.

Resource mobilization and sustainability

- 6. The sources of resources are known and guaranteed over the long-term financing cycle.
- 7. The fund comes from all possible sources.
- 8. Innovation in fundraising.
- 9. The resources and their sources are increasing incrementally and progressively.

Governance and resource allocation

- 10. Equitable and fair representation of stakeholders.
- 11. Independence from the interest/pressure of donors.
- 12. Adequate capacity and skill to manage the climate fund.
- 13. Easily accessible to the most vulnerable.
- 14. Supports and aligns with national climate change priorities.

Monitoring and evaluation

- 15. Project monitoring and evaluation are participatory.
- 16. The practice of monitoring and evaluation is timely.
- 17. Monitoring and evaluation are carried out at all levels

Accountability and transparency

- 18. Timely and public disclosure of all earnings and expenses.
- 19. Transparent allocation and disbursement procedures.
- 20. Existence of a complaint and feedback system.
- 21. Public access to information for independent evaluation.

The objective of this study is to examine the institutional effectiveness of the FNMC from 2009 to 2020, by employing these five dimensions, as proposed by Sheriffdeen et al. (2020). This is an exploratory study, and it adopted documentary research as the technical data collection method. All documents were selected based on a preliminary analysis conducted by Poupart et al. (2008), and accounted for contextual relevance, the authors, authenticity, reliability, the nature of the text, key concepts, and the logical structure (refer to Appendix, Box A). In total, 80 documents were chosen, including 33 mandatory annual publications, 32 minutes from management committee meetings, 10 laws and regulations, and 5 inspection reports. Qualitative content analysis was applied to process the data derived from the documents, wherein we examined 21 indicators categorized into three levels (refer to Appendix, Box B). These parameters assessed the degree of compliance with the indicators. Level (1) indicated satisfactory compliance, level (2) indicated partial compliance, and level (3) indicated non-compliance or minimal compliance. The documents were meticulously analyzed and excerpted, adhering to the key concepts and logical structure as outlined in the appendix (refer to Chart A). The excerpts were then mapped to the corresponding indicators, accounting for their contextual relevance, and evaluated based on the established parameters at levels (1), (2), or (3).

3. RESULTS

The results are presented below, focusing first on the dimensions that exhibited the highest level of compliance with their respective indicators.

Accountability and transparency demonstrated satisfactory adherence to requirements concerning the timely and public disclosure of financial results, transparent execution procedures, and the establishment of a continuous complaints and feedback system. Since the FNMC operates within the framework of the Brazilian federal government's budget, it adheres to the transparency rules set by public administration organizations. The reports are mandated by legislation, including meeting minutes, project lists supported by non-reimbursable resources, and public calls and notices, all of which are published on the FNMC website. For operations involving reimbursable resources (loans), relevant information can be obtained via the "transparency" section of the BNDES website. In the event that certain information is not available there, one can obtain further information via the Integrated Ombudsman and Information Access Platform (Fala.BR). Furthermore, FNMC accountability and transparency are bolstered by compliance with inspections that are conducted by both internal and external public auditors. The public access to information dimension for independent assessment was only partially addressed given the limited availability of certain data for public consultation. This hinders independent evaluations of the fund's effectiveness and efficiency. For instance, there is a lack of information from the BNDES regarding individual contracts and the quantities of reduced GHG emissions via the supported projects.

Governance and resource allocation were effectively addressed in terms of independence from donor interests or pressures, and in terms of accessibility for vulnerable populations, along with alignment with national priorities on climate change. This was achieved via transparent approval processes for programs and projects, which allowed us to identify resource allocations to vulnerable areas. Activity planning and execution were both conducted in accordance with climate change policies. However, there were partial adherences in this dimension, e.g., the equitable and fair representation of stakeholders and an adequate capacity for managing the climate fund. The involvement of other key actors in the approval of programs and projects is still needed, and we recognized limitations in the operational capacity of executing fund activities. Despite reports frequently highlighting a shortage of human resources and the absence of more regular and specialized staff, the FNMC management did show efforts towards fulfilling its responsibilities adequately. Notably, consultants have been engaged over the years to improve the FNMC's management procedures.

The legal and regulatory structure demonstrated satisfactory adherence to various aspects, including clarity of laws and regulations. This clarity has contributed to enhanced transparency and accountability at the fund. Normative texts are easily interpretable in terms of their content and applications. Furthermore, they stipulate how to prepare and publish reports on fund planning and activities, and how to engage in inspections conducted by auditors. There were, however, some areas for improvement within this dimension. First, there were cases of contradictory laws and regulations, which can pose a challenge when trying to ensure consistent implementations. Furthermore, some laws allow for maximum and efficient fund mobilizations and facilitate timely disbursements and allocations. Yet, conflicts do arise when analyzing normative texts. For instance, certain parts of the law have been undergoing precautionary measures for more than eight years. This can lead to uncertainties. Moreover, there was instability with respect to regulating the organizational structure of

the MMA, along with unreasonable changes to management committee the composition. There was also increased representation of the private sector, at the expense of organized civil society, which can lead to discord. Further improvements are still required for resource allocations. This might include participation from other public banks and/or exploring new financing models. Additionally, the in-place allocation and disbursement procedures need to be improved, since they are often hampered by Annual Budget approval delays under the current model.

Monitoring and evaluations showed partial adherence in terms of timely participation conducted at all levels. For non-reimbursable modes of financing, project monitoring was superficial, meaning that accounts were not promptly analyzed comprehensively, and the system/plan for monitoring and evaluating projects was inadequate. Until 2020, there was no established methodology for measuring the impacts of supported projects. Furthermore, while data and reports were prepared and available for monitoring and evaluation, they were incomplete or outdated. Regarding the resources disbursed by the BNDES, the bank has a monitoring and evaluation system in place, which includes systematic evaluations, impact analyses, and consolidated information to enhance effectiveness (BNDES, 2020). However, specific public information on projects related to the FNMC could not be found.

Resource mobilization and sustainability were partially adhered to, e.g., there were identifications and guarantees for funding sources, and the fund endeavored to use all possible sources, and to promote fundraising innovation. However, long-term funding source stability remains uncertain, since resources are derived solely from national public sources. Although there have been efforts to explore new fundraising opportunities, these have not materialized. This dimension failed to meet the requirements for additional and consistent growth in resources and funding sources.

4. DISCUSSION OF THE RESULTS

The accountability & transparency dimension is the most crucial for the FNMC, since the State is responsible for monitoring public objectives and ensuring convenient and transparent implementation (Giddens, 2009). Transparency in climate finance necessitates publicly accessible, comprehensive, accurate, and timely information, while accountability requires an easily accessible mechanism for addressing grievances, ensuring procedural rights, and strengthening oversight (Schalatek & Bird, 2016). Although certain disclosure information is still lacking in, the FNMC does release most information on earnings and expenses, planning, selection criteria, data on the selected parties, and allocations and disbursements in a timely fashion. Moreover, the FNMC maintains an efficient and well-structured open communication channel, and operates under the supervision of both internal and external auditors. This transparency and oversight are particularly significant since they allow the public to observe whether all involved stakeholders are fulfilling their responsibilities, thereby enhancing the legitimacy of the FNMC.

Regarding the governance and resource allocation dimension, establishing a robust framework not only promotes effective climate governance and enhances project legitimacy, but also attracts innovative financing tools based on trust and public acceptance, which are vital for sustainable investment (Dong & Olsen, 2015). While the FNMC faces challenges concerning the MMA management team and the representativeness of the management committee, it is worth noting that most resources are disbursed by the BNDES, which has a corporate policy for monitoring and conducting evaluations. Additionally, the BNDES has developed a macro-process system to promote effectiveness, which

benefits from nearly 70 years of operational experience (BNDES, 2020). Effective collaboration with financial agents improves fund management, and ensures the organized and efficient collection and allocation of resources (Flynn, 2011). Furthermore, non-reimbursable resources have helped target support for the most vulnerable regions in Brazil, corroborating Mathy and Blanchard's (2015) observation that international climate funds often struggle to adequately address specific needs related to climate change actions. Another positive aspect within this dimension is the strategic eligibility and project prioritization criteria that are in alignment with the FNMC's guidelines and priority areas, the Nationally Determined Contributions (NDCs), and the National Policy on Climate Change (PNMC). By integrating climate policies with other public policies, one can see how effective responses to climate change can be achieved (Giddens, 2009). Proper and efficient management, together with equitable and fair decision-making processes, are both crucial in FNMC's quest towards effectively supporting and enhancing Brazilian climate change policies and actions.

The legal and regulatory structure dimension, however, needs to be improved. This is crucial for ensuring the continuity of climate change policies, independent of political parties or concerns or conflicts (Giddens, 2009). Stakeholder participation is also essential for effective climate governance (Dong & Olsen, 2015). While the laws and regulations of the FNMC are clear and transparent, conflicts within its norms persist, e.g., the pending revocation of certain sections. Additionally, legislation needs to be improved, since this situation can weaken the FNMC's functionality.

The monitoring and evaluation dimension was highly deficient, since none of its indicators showed satisfactory compliance. Reports and verification play a crucial role in instilling confidence in outcomes, shedding light on implementation issues, and offering solutions to enhance fund operations (Flynn, 2011). The FNMC still lacks comprehensive information about its results. Although data and reports on project statuses are prepared and available for monitoring and evaluations, they are either incomplete or outdated. This dearth of information on results hampers improvement efforts and undermines reliability.

Resource mobilization and sustainability are the most significant challenges that the FNMC faces. Despite the FNMC's provision for seeking out diverse funding sources, as outlined in Article 3 of Law No. 12,114 of 2009 (Lei nº 12.114, de 9 de dezembro de 2009), they have relied solely on funds from the Federal Government. This presents a problem, since the budget often faces limitations, and there may be certain difficulties in directly raising funds from national entities (Rai et al., 2015). Furthermore, the budget can be vulnerable to reductions resulting from government negotiations for competing demands (Irawan, Heikens, & Petrini, 2012). The FNMC encounters significant challenges with this dimension, including a limited capacity for mobilizing funds and a lack of predictability and sustainability with respect to financial resources.

5. FINAL CONSIDERATIONS

This exploratory study investigates the institutional effectiveness of the FNMC by examining 80 documents and considering 21 indicators categorized into five dimensions, as proposed by Sherifdeen et al. (2020). Our findings revealed that none of the dimensions showed satisfactory performance across all indicators. The primary challenge lies with mobilizing resources, and with the sustainability dimension, primarily because of scarcity and unpredictable resources,

primarily resulting from pending government budget plans and instability with respect to the source of funds.

It is important to note that this study focused on evaluating policy during the formulation stage and the institutional-legal dimension. A comprehensive evaluation would mean assessing implementation and impacts. The study has certain limitations, including the fact that predefined dimensions were used, which may restrict the inclusion of relevant new content, and the fact temporal variations influenced by political mandates were not considered, these potentially introducing disruptions and changes in the FNMC's governance. While this article does not provide a definitive assessment of the institutional effectiveness of the FNMC, it offers policymakers an overview of existing gaps and areas that may require attention. This could facilitate integrated adjustments and corrections. Enhancing the institutional effectiveness of the FNMC can lead to increased responsibility and reliability, which, in turn, can attract more stakeholders to engage in climate finance initiatives. This, in turn, strengthens the country's potential for achieving the desired outcomes in response to climate change.

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AUTHOR'S CONTRIBUTION

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APPENDIX

BOX A DOCUMENTS SELECTED FOR ANALYSIS ACCORDING TO POUPART ET AL. (2008)

Documents	Context	Authors	Authenticity, reliability, and nature of the text	Key concepts and logical structure of the text
Annual Resource Application Plan (PAAR).	Annual planning of actions supported by resources from FNMC.	Technical team of FNMC/MMA.	Public domain report, approved by the management committee and published annually on the FNMC/MMA website, as per Art. 9 of Decree No. 9,578, of 2018 (Decreto nº 9.578, de 22 de novembro de 2018).	Biannual guidelines; projects in execution; budgetary resources; priority areas, themes and regions; selection modalities and ways of execution for resource application; expense limits.
FNMC/MMA Execution Reports.	To annually present the activities undertaken by the FNMC from the viewpoint of its management.	Technical and administrative team of FNMC/MMA.	Public domain report, approved by the Management Committee and published annually on the FNMC/MMA website, as per Art. 9, § 3 of Decree No. 9,578, of 2018 (Decreto nº 9.578, de 22 de novembro de 2018).	Organizational structure; developed activities; guidelines and priorities; projects and applied resources; challenges and difficulties.
BNDES Execution Reports.	Progress and annual performance of the status of reimbursable FNMC resources.	Public and Socio-environmental Management Area (AGS) of BNDES.	Public domain report, approved by the Management Committee and published annually on the FNMC/MMA website, as per Art. 9, § 3 of Decree No. 9,578, of 2018 (Decreto nº 9.578, de 22 de novembro de 2018).	Funded projects; GHG monitoring; financial movement.
Annual MMA Management Report.	To provide a clear vision to society about strategies, governance, performance, and perspectives.	Specific and singular bodies that are part of the MMA structure.	Public domain report, published annually on the MMA website for accountability to the TCU (IN No. 84 of 04/22/2020).	Execution; resources; priorities.

Continue

Documents	Context	Authors	Authenticity, reliability, and nature of the text	Key concepts and logical structure of the text
Minutes of ordinary and extraordinary meetings of the management committee.	Semiannual meetings for discussing action approvals related to the FNMC.	Technical and administrative team of FNMC/MMA and management committee.	Public domain report, approved by the Management Committee and published on the FNMC/MMA website, as per Art. 14, § 6 of Decree No. 9,578, of 2018 (Decreto nº 9.578, de 22 de novembro de 2018).	Indicators; monitoring; measurement; evaluation; contingency; difficulty; scarcity; priority; review; restructuring; transparency.
Audit Reports.	Audits related to the FNMC.	Auditors from CGU and TCU.	Public domain reports, researched in the CGU and TCU database using the terms "FNMC" and "Climate Fund".	Improbability; irregularity; impropriety; regularization; insufficiency; evaluation; indicator; monitoring; follow-up; performance; transparency.
Laws and regulations.	Laws and decrees directly or indirectly related to the FNMC.	Presidency of the Republic - deputy chief for legal affairs.	Laws and decrees published in the DOU.	Purpose; competences; application; source of resources; organizational structure; transparency.

Source: Elaborated by the authors based on criteria from Poupart et al. (2008).

BOX B LEVEL OF SERVICE INDICATORS THAT COMPRISE THE INSTITUTIONAL EFFECTIVENESS DIMENSIONS AT THE FNMCI

Dimensions	Indicators	Parameters	Level
Legal and Regulatory Structure	1. <i>Clarity of laws and regulations governing the fund.</i>	Interpretation of normative text on its content and application: Easy (1); Moderate (2); Complex (3).	(1)
	2. <i>Laws and regulations are not contradictory or overlapping with other institutions.</i>	Conflict or interference between normative texts: Doesn't exist (1); Exists, but correction measures are being taken (2); Exists and there are no corrective measures (3).	(2)
	3. <i>The laws allow for the maximum and efficient mobilization of funds.</i>	Means for channeling resources: Sufficient and satisfactory (1); Complements and/or improvements (2); Scarce and/or inefficient (3).	(2)
	4. <i>The laws allow efficient/timely disbursements and allocations.</i>	Establishment of planning, management, and approval processes for allocations and disbursements: They are satisfactory and there are no interferences or conflicts (1); Little satisfactory, needing complements and/or improvements (2); It does not establish or establishes minimally (3).	(2)
	5. <i>Laws and regulations have increased/improved the transparency and accountability of the fund.</i>	Does it determine the production, publication, and inspection of reports related to the planning and execution of activities? Yes (1); Only some (2); No (3).	(1)
Resource Mobilization and Sustainability	6. <i>The sources of resources are known and guaranteed over the long-term financing cycle.</i>	Are the sources of resources anticipated, classified, and have long-term stability? Yes (1); Only anticipated and classified (2); No (3).	(2)
	7. <i>The fund comes from all possible sources.</i>	Does it regularly receive resources from various national, international, and private sources? Yes (1); Only some (2); Does not receive or minimally receives (3).	(2)
	8. <i>Innovation in fundraising.</i>	Is there frequent mobilization and conquest of new fundraising opportunities? Yes (1); Not often (2); No (3).	(2)
	9. <i>The resources and their sources are increasing incrementally and progressively.</i>	Are resources and their sources evolving incrementally and progressively? Yes (1); Without significant variations (2); No (3).	(3)
Governance and Resource Allocation	10. <i>Equitable and fair representation of stakeholders.</i>	Does the approval of programs and projects involve actors from public sectors, private sectors, scientific community, Public Interest Civil Society Organization (OSCIP), and Civil Society Organizations (CSOs), among others? Yes (1); Only some (2); Only the executing team (3).	(2)

Continue

Dimensions	Indicators	Parameters	Level
	11. <i>Independence from the interest/pressure of donors.</i>	Do approvals of programs and projects occur independently without any pressure from the resource lenders? Yes (1); They partially impact (2); No (3).	(1)
	12. <i>Adequate capacity and skill to manage the climate fund.</i>	Is the composition of the technical team sufficient, stable, and specialized to perform the activities related to fund management? Yes (1); Presents limitations, but seeks improvement (2); No (3).	(2)
	13. <i>Easily accessible to the most vulnerable.</i>	Are multiple projects approved to identify and allocate resources in vulnerable areas? Yes (1); Yes, but without prior identification study (2); No (3).	(1)
	14. <i>Supports and aligns with national climate change priorities.</i>	Are planning and execution of activities aligned as per policies on climate change and Nationally Determined Contributions (NDCs), in addition to strategic partnerships with other institutions with similar purposes and missions to climate change? Yes (1); Slightly aligned (2); No (3).	(1)
	15. <i>Project monitoring and evaluation are participatory.</i>	Are there the elaboration and provision of data, reports, and/or meetings that allow following up and evaluating project execution? Yes (1); Incomplete or outdated (2); No (3).	(2)
Monitoring and Evaluation	6. <i>The practice of monitoring and evaluation is timely.</i>	Is there accurate tracking of projects and timely analysis of account rendering? Yes (1); Superficial and/or partially (2); No (3).	(2)
	17. <i>Monitoring and evaluation are carried out at all levels.</i>	Is there a system/plan for monitoring and evaluating projects, with the definition of result and impact indicators, executed adequately? Yes (1); Inadequate and/or incomplete (2); No (3).	(2)
Accountability and Transparency	18. <i>Timely and public disclosure of all earnings and expenses.</i>	Is there public access to information about all earnings and expenses within at most three months? Yes (1); After three months (2); No (3).	(1)
	19. <i>Transparent allocation and disbursement procedures.</i>	Is information about planning, selection criteria, selected data, and execution of allocations and disbursements made available? Yes (1); Insufficient and/or partial (2); No (3).	(1)
	20. <i>Existence of a complaint and feedback system.</i>	Is there an efficient and structured communication channel? Yes (1); Poorly structured and/or inefficient (2); No (3)	(1)
	21. <i>Public access to information for independent evaluation.</i>	Is public access to all relevant information to independently assess the effectiveness and efficiency of the fund available? Yes (1); Almost all (2); Few or none (3).	(2)

Source: Elaborated by the authors based on Sherifdeen et al. (2020).