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Inter-institutional Dynamics of Global Climate Finance: Complementarity and Competition in the Emerging Practices of Coordination

DAVID ROSSATI
Master degree in Public Law (LUISS Guido Carli, Rome) and LLM in International Law (dist., Edinburgh). Teaching assistant in International Climate Change Law and PhD candidate (full studentship) at the Edinburgh School of Law

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Inter-institutional Dynamics of Global Climate Finance: Complementarity and Competition in the Emerging Practices of Coordination

David Rossati[1]

Abstract

Climate finance was incepted as a form of international development under the umbrella of the 1992 United Nations Framework Convention on Climate Change for the purposes of implementing emissions reductions and adaptation measures in developing countries. After more than twenty years from its formulation, climate finance has transformed into a complex activity comprising public and private financial flows. As a result, the global institutional sphere is currently populated by numerous and diverse entities, and is rooted in a pluralist normative realm, where international institutions and national administrations alike act at the same level of regulatory action.

This has led to an ever-increasing institutional fragmentation often resulting in lacks of legal coherence, uncoordinated implementation and, ultimately, poor governance.

Against this background the paper – by focusing only on those institutions governed by public law – addresses two specific questions: i) how climate finance institutions interact and coordinate; and ii) what kind of practices and issues emerge under the purview of Global Administrative Law (GAL).

Before doing this, it is argued that in such a heterarchical institutional reality the two dynamics of *complementarity* and *competition* stand at the basis of inter-institutional linkages: complementarity means that synergies are promoted, where functional and geographical overlapping occurs. On the other hand, the limited financial resources raised by industrialized countries bring the same institutions to

[1]. Doctoral candidate and teaching assistant in International Climate Change Law at the Edinburgh School of Law. With expertise and interests that span from international environmental and economic law to legal theories of global governance, his doctoral thesis addresses several governance and legitimacy issues of climate finance institutions. He published on linkages issues stemming from the climate and trade regime conflicts both at international and European Union law level. Before joining the Edinburgh School of Law in 2010, he worked as a junior legal counsel in Climate Focus B.V., a leading international climate change advisory firm. David holds a *laurea magistrale* from LUISS Guido Carli in Rome and an LLM in international law (dist.) from the Edinburgh School of Law.

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compete so that they can catalyze more financial resources to the detriment of parallel institutional realities.

The following analysis reveals some preliminary findings: namely, that climate finance institutions are already engaging into mechanisms that enhance complementarity. In fact, although more research is needed, three main patterns are emerging: i) external initiatives; ii) unilateral initiatives by climate finance institutions; and iii) direct inter-institutional coordination engendered by institutions themselves.

It is finally argued that while the scattered and soft nature of these initiatives is far away from yielding a comprehensive framework of coordination, the matter is made more complex by the high degree of informality of inter-institutional linkages. Under a GAL understanding, this might lead to issues of accountability of climate finance institutions.

Keywords. Climate finance institutions, International composite administration, Inter-institutional coordination, Complementarity, Accountability, Informality.

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Introduction

In the climate change regime[2] climate finance is a pivotal issue in terms of substantive international obligations, as well as for the ongoing negotiations towards a legal outcome on the global climate in 2015.[3] It is broadly understood as the economic support by industrialised countries for emissions reductions (mitigation) and adaptation measures in developing countries and belongs to those efforts of North-South financial assistance incepted in the nineties under several multilateral environmental agreements.[4] However, in distinction to parallel experiences,[5] climate finance has the peculiar characteristic of being simultaneously based on international law and implemented by multifarious and numerous institutions, not all formally bound by those international legal obligations.[6] This has led to an ever-increasing institutional fragmentation resulting in uncoordinated implementation, overlaps, and, ultimately, poor governance of a global activity that should instead foster developing countries' sustainable development and build political trust in international negotiations.

The drivers for such disperse institutional landscape are multifaceted and not merely justified by bureaucratic arguments of efficiency and effectiveness. Since its inception, climate finance has proved a highly sensitive political topic standing at the interface between the need to get highly-emitting developing countries aboard in reducing emissions and the problem of ecological debt and distributive justice in

[2] For the term "regime" it is here meant a body of international law and other soft legal instruments pertaining to a specific subject area. *See*, in general, M.A. Young, "Introduction: The Productive Friction between Regimes" in *Regime Interaction in International Law* (Cambridge University Press 2012) pp. 1-19. The two treaties of this regimes are the *United Nations Framework Convention on Climate Change*, New York, Adopted on 9 May 1992, 1771 UNTS 107 [hereinafter UNFCCC]; and the *Kyoto Protocol to the United Nations Framework Convention on Climate Change*, Adopted on 11 December 1997, 2303 UNTS 148.

[3] Such is the consensus reached within UNFCCC's negotiations: *Establishment of an Ad Hoc Working Group on the Durban Platform for Enhanced Action*, Decision 1/CP.17, UN Doc. FCCC/CP/2011/9/Add.1, para 2.

[4] *See* in general L. Boisson de Chazournez, "Technical and Financial Assistance" in D. Bodansky, J. Brunnée and E. Hey (eds), *The Oxford Handbook of International Environmental Law* (OUP Oxford 2008) pp.947-73. And N. Matz, "Environmental Financing: Function and Coherence of Financial Mechanisms in International Environmental Agreements" in J.A. Frowein and R. Wolfrum (eds.), *Max Planck Yearbook of United Nations Law*, vol. 6, (2002) pp.473–534.

[5] The most notable is the Multilateral Fund of the Montreal Protocol on Substances that Deplete the Ozone Layer (16 September 1987, 1522 UNTS 293). *See* E.R. DeSombre, "The Experience of the Montreal Protocol: Particularly Remarkable, and Remarkably Particular" 19 *UCLA Journal of Environmental Law and Policy* 49 (2000-2002) pp.69–72.

[6] Article 11(5) of the UNFCCC stipulates that "the developed country Parties may also provide and developing country Parties avail themselves of, financial resources related to the implementation of the Convention *through bilateral, regional and other multilateral channels*". [*emphasis* added].

sharing the socio-economic burdens and human and environmental damages mainly caused by industrialised economies throughout the last two centuries.[7]

Taken in such a way, climate finance hinges on a "regime complex" based on the interaction of international and transnational institutions, rather than emanating solely from the international *lex specialis* of the UNFCCC and the Kyoto Protocol.[8] As to be seen, on the legal plane the activity of climate finance institutions can be understood as a form of international composite administration in a pluralist order[9] where international, national and transnational regulatory spheres overlap.

The recent pledge by developed states to disburse USD 100 billion a year up till 2020[10] is raising concerns among all actors on the capability of the global institutional structure to meet the challenge of successfully pooling such a considerable amount of public and private resources and deliver them in an efficient manner.

While to date three academic contributions addressed the multifaceted issues of climate finance governance, particularly in the context of political contentions between developed and developing countries,[11] this paper pays attention to a subset of questions:[12] namely, i) how climate finance institutions interact and coordinate on the functional and geographical distribution of their activity; and ii) what kind of practices and issues emerge under the purview of Global Administrative Law (GAL).[13]

The following pages are structured into three parts. The first will sketch the international legal basis and the current institutional structure of climate finance,

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[7] For more details on the contrasting political views between North and South, *see* J. Werksman, "From Coercive Conditionality to Agreed Conditions: The Only Future for Future Climate Finance" in Richard B. Stewart and others (eds), *Climate Finance: Regulatory and Funding Strategies for Climate Change and Global Development* (NYU Press 2009), pp. 189-96.

[8] *See* R.O. Keohane and D.G. Victor, "The Regime Complex for Climate Change" (2011) 9 *Perspectives on Politics* 7.

[9] P. Dann and A. Von Bogdandy, "International Composite Administration: Conceptualizing Multi-Level and Network Aspects in the Exercise of International Public Authority" (2008) 9 *German Law Journal* (2013); and N. Krisch, "The Pluralism of Global Administrative Law" 17 *European Journal of International Law* (2006) p. 247.

[10] The collective pledge has been formally recognized in 2010 by a COP decision. *See The Cancun Agreements*, Decision 1/COP.16, UN Doc. FCCC/CP/2010/7/Add.1, 15 March 2011, para 98-100.

[11] On a broader spectrum of issues *see* J. Werksman, "From Coercive Conditionality to Agreed Conditions: The Only Future for Future Climate Finance", *supra* note 7; more specifically on institutional governance *see* A. Ballesteros, S. Nakhooda, J. Werksman and K. Hurlburt, "Power, Responsibility, and Accountability: Rethinking the Legitimacy of Institutions for Climate Finance" 1 *Climate Law* (2010) 261–312; and R.B. Stewart, B. Rudyk and K Mattes, "Governing a Fragmented Climate Finance Regime" in H Cisse, D. Bradlow and B. Kingsboury (eds.), *The World Bank Legal Review: 3* (World Bank Publications 2011) 363–388.

[12] Already introduced by R.B. Stewart *et al*., "Governing a Fragmented Climate Finance Regime", *ibid*., pp. 379–80.

[13] B. Kingsbury, N. Krisch, and R.B. Stewart, "The Emergence of Global Administrative Law" 68 *Law and Contemporary Problems* (2004) pp. 15–61.

highlighting the problem of institutional overlaps. It will also justify the application of the concept of international composite administration under a GAL perspective to this specific realm of global governance. The second part will propose a unique conceptual ground to understand the current relations between climate finance institutions, by arguing that two dynamics of institutional *complementarity* and *competition* often conflict, but play also together. Against this background, the third part will explore how complementarity is currently being sought among institutions and how accountability issues might emerge, especially as a result of the pervasive role that informal coordination holds in this context.

1. The global institutional structure of climate finance

1.1. *Definition and normative basis*

The term 'climate finance' describes a wide variety of activities. It is generally accepted to refer to the transfer of financial resources from industrialised countries to developing ones for the purposes of climate mitigation[14] and adaptation, according to the principle of common but differentiated responsibility of the UNFCCC.[15] However, no legal definition stands either in the climate treaties or in the practice of the various actors. Not only this complicates the challenging task of estimating climate finance flows in a transparent manner,[16] but it is also sign of a thin agreement between developed and developing states on the sources and nature of such financial support. Climate finance comprises public as well as private financial flows; financial instruments of grant/concessional or market nature; and equity or foreign direct investment.[17] A wide understanding of climate finance is paralleled by the broad range of actors spanning from multilateral international institutions, to private investment banks and other multinational corporations. Given the many analytical complexities that a broad understanding of climate finance entails, this paper will only focus on climate finance, primarily sourced from public budgets, channeled by various institutional intermediaries (climate finance institutions), and fulfilling the international obligations stressed out in the UNFCCC.[18]

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[14] Reduction or avoidance of anthropogenic greenhouse gasses emissions.

[15] UNFCCC Article 3(1).

[16] A. Michaelowa and K. Michaelowa, "Coding Error or Statistical Embellishment? The Political Economy of Reporting Climate Aid" 39 *World Development* (2011) p. 2010.

[17] A recent study reported in broad estimates that in 2012 global (private and public) climate finance flows amounted to USD 359 billion, "far below even the most conservative estimates of investment needs": B. Buchner *et al*. "The Global Landscape of Climate Finance 2013" CPI Report, October 2013, available at <http://climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2013>, at p. 6.

[18] The same study (*ibid*.) estimates that in 2012, public climate finance amounted to USD 35-49 billion.

With such premises, the climate treaties impose on developed states (Annex II UNFCCC Parties) to provide the covering of the *full incremental costs* for the implementation of – inter alia – mitigation and adaptation policies and programmes on the territories of developing countries. The financial resources covering such costs shall also be *new, additional, predictable and adequate*;[19] be channeled through *grants* or *concessional loans*[20] and under the activity of a UNFCCC-based "Financial Mechanism".[21]

While treaty-based obligations on climate finance depict only the 'nuts and bolts' of this area, during two decades of regulatory activity, the UNFCCC Conference of the Parties (COP) could not reach consensus on further interpreting or delivering a clear international legal framework. The progressive entering of different institutions into this global ream has also led to the creation of a conspicuous and fragmented body of regulations made of different instruments, such like decisions and recommendations of the governing bodies of those institutions, operational guidelines of funds, approved methodologies of subsidiary bodies of the Kyoto Protocol, and domestic agencies regulations.

1.2. *The current institutional panorama*

To provide but a brief overview of the current institutional panorama of global climate finance, it is worth starting from the following non exhaustive table listing the most relevant actors in the delivery financial resources related to climate, together with their specialised funds, partnerships and initiatives.

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[19] *See* UNFCCC, Article 4(3).

[20] *Id.*, Article 11(1).

[21] *Id.*

Table 1. *Non-exhaustive list of climate finance institutions and related programmes and initiatives*.

UNFCCC-based institutions and funds	
Global Environment Facility	GEF Trust Fund
	Least Developing Countries Fund
	Special Climate Change Fund
	GEF Earth Fund
Green Climate Fund	Financial Intermediary Fund (not yet operational)
Kyoto Protocol-based institutions and funds	
Adaptation Fund	Adaptation Fund
Executive Board of the CDM	Carbon offset mechanism
Institutions outside the climate change regime and core funds, initiatives and mechanisms	
Multilateral international institutions	
World Bank Group	Carbon Partnership Facility
	Forest Carbon Partnership Facility
	Individual project financing
	MIGA Guarantees
Climate Investment Funds*	Strategic Climate Fund
	Clean Technology Fund
UN-REDD*	Global Joint Programme
	National/Regional Joint Programmes
UNDP	Multi-partner Trust Funds
EU Commission	LIFE programme
	Global Climate Change Alliance
African Development Bank	Congo Basin Forest Fund*
	Climate Dev-Africa p
	Africa Carbon Support Programme
	Individual project financing
Asian Development Bank	Clean Energy Financing Partnership Facility
	Climate Change Fund
	Water Financing Partnership Facility
	Individual project financing
Inter-American Development Bank	Sustainable Energy and Climate Change Initiative
	Individual project financing
European Investment Bank	Post-2012 Carbon Fund*
	Global Energy Efficiency and Renewable Energy Fund*
	Individual project financing
European Bank for Reconstruction and	Sustainable Energy Initiative

Development	Individual project financing
	Multilateral Carbon Credit Fund*
Nordic Development Fund	Nordic Climate Facility
Nordic Environment Finance Corporation	NEFCO Carbon Fund
	Nordic Partnership Initiative*
	Individual project financing

National financial institutions	
OPIC - US	Individual project financing
KfW – Germany	Post-2012 Carbon Fund*
	Individual projects financing
Caisse de Dêpots (CDC Climat) - France	Post-2012 Carbon Fund*
	Carbon Capital Fund Morocco
Brazilian Development Bank	Amazon Fund
China Development Bank	Individual projects financing
Bilateral agencies	
USAID	Low Emission Development Strategies
Department for International Development - UK	International Climate Fund
Federal Ministry for Economic Cooperation and Development - Germany	Initiative for Climate and Environmental Protection
	International Climate Initiative
	Climate Protection Programme
French Development Agency - France	Individual projects financing
Swedish International Development Cooperation Agency - Sweden	Climate Change Initiative
AusAid - Australia	International Climate Change Adaptation Initiative
	International Forest Carbon Initiative
	Bilateral Climate Change Partnerships Initiative

* *Partnership with other climate finance institution/s*

The table proposes a broad divide between institutions that have either been established by or find some formal institutional linkage with the climate treaties' COPs,[22] and others whose activities nevertheless often account for the implementation of UNFCCC obligations on climate finance. What emerges is that the institutional landscape of climate finance is *multiple*, *multilevel*, and *heterarchical*. Its

[22] The Global Environment Facility (GEF) is a partnership between the following UN agencies: the World Bank, the UN Environment Program and the UN Development Programme. Since 1995, the GEF is accountable to and works under the guidance of the UNFCCC COP according to a memorandum of understanding. *See* Decision 12/CP.2, UN Doc. FCCC/CP/1996/15/Add.1, Annex.

multiplicity refers to the wide range of entities involved in field.[23] From a legal perspective the challenging aspect is the different nature of such entities under the purview of international law, as it is unclear whether some of them can be regarded international organizations[24] with their ensued functional legal personality. Climate finance governance is multilevel, because the institutions engaged belong to both national and international legal spheres. Furthermore, such feature is inherently linked with the lack of hierarchical relationships among the various institutions. This is a common characteristic among many areas of global governance,[25] meaning that there is no central authority to delegate coherently the executive powers and functions between the various entities.

Three critical points can be made. Firstly, functional overlaps among institutions in relation to both mitigation and adaptation activities are increasingly relevant as the delivered amount of finance from Annex II countries is expected to increase. Such intersection of institutional competences had already negative effects on the actual disbursement of funds and caused frustrations among developing countries and other recipient entities during climate negotiations. To give some examples, in the field of adaptation finance the Adaptation Fund, the UNFCCC Special Climate Change Fund, the Green Climate Fund (GCF), and the Strategic Programmes for Climate Resilience of the Climate Investment Funds (CIFs) are alternative finance channels that developing countries can resort to for adaptation. As for mitigation initiatives, the panorama is made more complex due to the high number of thematic funds (e.g. renewable energy, energy efficiency, and avoided deforestation), funds investing in Clean Development Mechanism (CDM) activities,[26] and the prominent role of traditional project financing by multilateral and bilateral financial institutions. Referring to just the main global climate funds, the GCF, the GEF Trust Fund and Earth Fund, and the Clean Technology Fund of the CIFs share the same broad mandates in mitigation financing. The Reducing Emissions from Deforestation and forest Degradation (REDD) from developing countries mechanism, an emerging mechanism[27] aimed at avoiding carbon emissions from deforestation and unsustainable management vis-à-vis financial incentives, is also a common field of

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[23] Stewart, Rudyk and Mattes, "Governing a Fragmented Climate Finance Regime", *supra* note 11, p.72.

[24] The definition of international organization in international law is primarily academic, rather than normative: *see* H.G. Schermers and N.M. Blokker, *International Institutional Law* (5 Revised edition, Brill, 2011).

[25] *See* S. Cassese, "Administrative Law without the State – The Challenge of Global Regulation" (2004) 37 *New York University Journal of International Law and Politics* 663, pp.670–3. From an accountability perspective *see* Krisch, "The Pluralism of Global Administrative Law", *supra* note 9, pp.249–50.

[26] They generate tradable carbon credits according to Article 12 of the Kyoto Protocol.

[27] The UNFCCC COP has not yet established it as a fully-fledged mechanism. It is however an agenda item under the various negotiating tracks for a new agreement on the climate. *See Reducing emissions from deforestation in developing countries: approaches to stimulate action*, Dec. 2/CP.13, UN Doc. FCCC/CP/2007/6/Add.1, 14 March 2008.

intervention by different institutions, including the Forest Investment Programme of the CIFs, the Forest Carbon Partnership Facility of the World Bank,[28] the UN-REDD Programme and the GEF Trust Fund.

Secondly, the institutional landscape comprises other actors involved in the process of disbursement, which act as "final managers" of resources: these actors comprise both private entities, as well as so called "international implementing agencies", often acting also as climate finance institutions themselves, thus covering a double (and sometimes conflicting) role in the "life cycle" of climate finance flows.

In particular the World Bank, other regional financial institutions, the UNEP and the UNDP are often eligible implementing agencies of various trust funds.[29] In addition, the World Bank offers administrative capacity and trustee services to several funds, including the GCF, the CIFs and the GEF Trust Fund. While such a mixed model can offer integration and flexibility among entities, at the same time it can generate conflicts of interests and frustrate the process of disbursement.[30]

Finally, it should be noted that the majority of finance delivery takes place through institutions that are not 'climate-specific', but incorporate mitigation and adaptation finance in their broad development agenda.[31]

Overall, the brief sketch provided here tells that the current institutional structure of climate finance is rooted in a pluralist model, where *leges speciales* of public international law –stemming from the climate treaties and the treaties establishing international organizations– interact with other normative systems, including institutional "secondary law",[32] and national administrative norms. While the core normative basis of action can be found in the climate treaties, their implementation is *de facto* delegated to international institutions of different kind and to national entities acting by international[33] or transnational means.

[28] For "World Bank" it is here meant the International Bank for Reconstruction and Development, unless differently stated.

[29] The GEF, for instance, has currently ten eligible agencies, including the World Bank and other multilateral development banks, the UNEP and the UNDP.

[30] For the specific case of the GEF *see* J. Werksman, "Consolidating Global Environmental Governance: New Lessons from the GEF?" in N. Kanie and P.M. Haas (eds.), *Emerging Forces in Environmental Governance* (United Nations University 2004).

[31] *See* Buchner *et al*. "The Global Landscape of Climate Finance 2013", *supra* note 17. The authors estimate that international and national development finance institutions collectively distributed USD 121 billion (p.16). Yet, as the authors stress, such amount does not all account towards the pledge of USD 100 billion a year made during UNFCCC negotiations.

[32] M. Benzing, "International Organizations or Institutions, Secondary Law", in R. Wolfrum and F. Lachenmann (eds.) *Max Planck Encyclopedia of Public International Law*, online edition, 2007.

[33] Mostly taking place through international cooperation agreements at bilateral level. *See* P Dann and M Riegner, "Foreign Aid Agreements", in R Wolfrum and F Lachenmann (eds.) *Max Planck Encyclopedia of Public International Law*, online edition, 2011.

1.3. *The administrative role of climate finance institutions: Bits of GAL and IPA*

In order to better grasp the role covered by climate finance institutions in the context of such a pluralist global regulatory space, it is fruitful to enlist the range of their activities, as outlined in the constitutive documents of specialised climate funds, or by secondary regulation and practice of other financial institutions. Ballesteros *et al*. have already provided a summative account in the table that follows:[34]

Table 2. *List of the main executive functions enacted by climate finance institutions*

Function	Roles
Oversight	• Setting policies, program priorities, and eligibility criteria
Resource mobilization	• Replenishment of trust fund • Leveraging of additional sources of funding from Implementing Agencies and the private sector
Resource allocation	• Allocation of resources between multiple focal areas (e.g. mitigation, adaptation, and forestry) • Prioritization among eligible recipients
Project-cycle management	• Preparation and approval of projects • Financial management of loan and grant agreements
Standard setting	• Development and approval of performance metrics • Development and approval of environmental and social safeguards
Scientific and technical advice	• Advice on appropriate policies and best available technologies • Advice on scientific trends and risk assessment
Accountability	• Monitoring and evaluation of project and portfolio performance • Review and inspection of problematic projects

This set of listed functions is a clear sign of the executive role as financial intermediaries bestowed on climate finance institutions. Could it stem from their constituent treaties[35] or from other non-binding agreements among states, the core function of climate finance institutions is to administer and disburse allocated money for the specific task of promoting sustainable development in developing countries. Consequently, these administrative bodies[36] carry on several additional tasks that are necessary to pursue their scopes and that can affect the legitimate interests of the actors they engage with. Climate finance institutions do this primarily through their

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[34] Ballesteros *et al.*, “Power, responsibility, and accountability”, *supra* note 11, p. 264.

[35] It is typically the case of the World Bank and other regional development banks. *See* D.D. Bradlow, “International Law and the Operations of the International Financial Institutions” in D.D. Bradlow and D.B. Hunter (eds.), *International Financial Institutions and International Law* (Kluwer Law International, 2010) pp.1–30.

[36] Such administrative law should be understood in broad terms. *See* B. Kingsbury and L. Casini, “Global Administrative Law Dimensions of International Organizations Law” 6 *International Organizations Law Review* (2009) p. 319, p. 324.

own regulations[37] and according to the financial agreements they stipulate with funding or recipient countries. In addition, the decisional bodies of these institutions often enjoy quite a relevant margin of discretion on sensitive issues, like the choice of recipient countries or of the areas and types of projects to be funded. This is because of the scant international legal obligations and the often general guidance provided by states.[38]

Therefore, when it comes to analyse how these institutions interact, framing climate finance in a global regulatory space populated by different types of administrations is a promising basis. In fact, traditional international institutional law finds cognitive limits given its indeterminacy in regards to the nature of some climate finance institutions and their regulatory activities.[39] Conversely, approaches that shy away from a traditional Westphalian understanding of international law and rather tilt at domestic public law are capable to shed light on the normative relevance of these global activities, especially when it comes to the legality and accountability of international institutions. The referral here is primarily to the Global Administrative Law (GAL) and the International Public Authority (IPA) research projects.[40] In the context of the institutional realities of climate finance, the alternative (but partly overlapping) conceptions[41] of these two theoretical proposals clarify not only the administrative nature of climate finance institutions, but also the fact that they are exercising a form of public authority and, as such, questions about their accountability and legitimacy should be raised.[42]

In regards to the object of this paper, before addressing some specific dynamics occurring among climate finance institutions, it is worth to identify what type of global administration is under analysis. A preliminary finding above recognized the

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[37] Often it comprises operational policies, fiduciary standards that recipient administrations need to comply with in order to access the funds, and environmental and safeguard measures related to individual projects and programmes.

[38] An example of stricter guidance is instead the replenishment procedure of the GEF Trust Fund, which occurs every four years and is centered on negotiations between the donor states. *See Final GEF-5 Programming Document*, GEF/R.5/25, 12 February 2010, available at <www.thegef.org/gef/sites/thegef.org/files/documents/GEF_R5_%2025,%20Final%20GEF_5%20Programming%20Document,%20Feb%2012,%202010.pdf>.

[39] Generally, *see* J. Klabbers, "Institutional Ambivalence by Design: Soft Organizations in International Law" 70 *Nordic Journal of International Law* (2001) p. 403; and J. Klabbers, "The Redundancy of Soft Law" 65 *Nordic Journal of International Law* (1996) p. 167.

[40] Their seminal pieces are respectively Kingsbury, Krisch, and Stewart, "The Emergence of Global Administrative Law" A. Bogdandy, P. Dann, and M. Goldmann, "Developing the Publicness of Public International Law: Towards a Legal Framework for Global Governance Activities" in *The Exercise of Public Authority by International Institutions* (Springer, 2010) pp.1–32.

[41] On the relationship between GAL, IPA and informal international law-making *see* P. Dann and M. von Engelhardt, "Legal Approaches to Global Governance and Accountability: Informal Lawmaking, International Authority, and Global Administrative Law Compared" in J Pauwelyn, R Wessel and J Wouters (eds), *Informal International Lawmaking* (OUP, Oxford, 2012) pp.106-21.

[42] And have been raised. *See* Ballesteros, *et al.,* "Power, responsibility, and accountability", *supra* note 11.

multiple, multilevel and heterarchical structure of climate finance institutions, as being in line with many realities of global governance. A more specific conceptualization has been proposed by von Bogdandy and Dann under the concept of 'international composite administration'.[43] As the authors define it, "[…] composite administration takes place when a plurality of legally independent public authorities pursues aims of public concern as a common task."[44] Further, they clarify that "[…] what is missing [in international composite administration] is the idea of an overarching political and legal unity."[45] The concept of composite administration is borrowed from the experiences in the quasi-federal administrative European model.[46] Yet it seems also applicable to the inter-institutional dynamics of climate finance institutions. This is because:

> The concept does not focus on powers, organizational structures or the relation of legal norms as such, but rather on bureaucratic cooperation and the interaction of institutions in the exercise of public authority.[47]

The main implication of this conceptualization is that it allows a more profound[48] legal understanding of how different administrations interact, cooperate or fail to cooperate in a pluralist order.

2. Contested competences in global climate finance: Complementarity and competition

The increasing level of complexity in the composite administration of global climate finance is clearly generating discontent among actors as well as failure of some institutional initiatives.[49] This has consequences on the capability of climate finance to deliver transformative results and to contribute to the soothing of North-South contrasts in international climate negotiations. The hypothesis here is that the main reason of such complexity and poor governance can be found in the lack of balance between two dynamics that occur among climate finance institutions: on one

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43 Dann and Von Bogdandy, "International Composite Administration", *supra* note 9.

44 *Ibid.*, p.2016.

45 *Ibid.*

46 *See*, for instance, G. Della Cananea, "The European Union's Mixed Administrative Proceedings" 68 *Law and Contemporary Problems* (2004) p. 197.

47 Dann and Von Bogdandy, "International Composite Administration" *supra* note 9, p. 2015.

48 More profound than the descriptive socio-legal theories of networked administration. *See* AM Slaughter, *A New World Order* (New Ed. Princeton University Press, 2005); or P.M. Haas, "Introduction: Epistemic Communities and International Policy Coordination" 46 *International Organization* (1992) p. 1.

49 *See* for instance the statement by the Italian representative at the fourth GEF Assembly, the policy-making body of the GEF, stressing the need of "avoiding duplications with other international financial institutions". *Statement by MR Giuseppe Maresca*, Fourth GEF Assembly, 25-26 May 2010, p.2, available at < www.thegef.org/gef/sites/thegef.org/files/documents/Statement%20-%20Italy.pdf>.

side, participating states and institutions strive to reach *complementarity* of their activities, in a way that – where functional and geographical overlapping occurs – some synergies and cooperation are promoted. On the other hand, the limited financial resources raised by industrialized countries bring the same institutions to *compete* so that they can raise trust among actors and catalyze more financial resources to the detriment of parallel institutional realities. While more research is needed in this regard, such initial discovery of these two dynamics is based on the several states declarations during UNFCCC negotiations and on a restricted (not scientifically relevant) set of qualitative interviews with practitioners and experts.[50] Complementarity and competition constitute a unique conceptual ground[51] to understand some core governance tensions resulting from institutional fragmentation. It is argued that these two separate dynamics are constantly pursued by states and climate finance institutions, and that such interests interact both in a proactive and conflicting manner.

2.1. *Complementarity*

The term 'complementarity' strongly emerged in 2010, during the negotiating rounds in the Transitional Committee for the Green Climate Fund (GCF) of the UNFCCC. The issue became a specific negotiating agenda within the Committee, which recognized that the extant ramification of climate finance initiatives coupled with the creation of another fund would require enhancing "[…] clear roles, avoid duplication of efforts, share best practices, and promote synergies."[52]

As a concept, complementarity somehow echoes the well-established legal construct of administrative competence in municipal systems;[53] however, the latter is necessarily embedded in the rule of law and the principle of legality, and relies on the presence of a central authority and judiciary able to solve possible overlaps among administrations, not to name a constitutional order. Being a composite model, climate finance governance lacks such a centralized structure with the result that complementarity currently represents no more than a dynamic or an interest pursued by actors. Finally, it is worth distinguishing complementarity with coordination in the

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[50] They are both on file with the author.

[51] Expectedly, these terms are not new in the scholarship. An "institutional complementarity theory" is proposed in the context of vertical dynamics between multi-level administrations and stakeholders' involvement in non-market standard setting. *See* T. Büthe and W. Mattli, *The New Global Rulers: The Privatization of Regulation in the World Economy* (Princeton University Press, 2011) pp.42–59. By the same token, E. Benvenisti already offered a sketch of intra-institutional competition. *See* E. Benvenisti, "The Interplay Between Actors as A Determinant of the Evolution of Administrative Law in International Institutions" 68 *Law and Contemporary Problems* (2005) p. 319, p. 328.

[52] Transitional Committee, *Workstream II: Governance and Institutional Arrangements: Scoping Paper*, 29 June 2011, UN Doc UNFCCC/WSII/1 available at <unfccc.int>, para 23.

[53] Similarly, H.G. Schermers and N.M. Blokker, *International Institutional Law: Unity within Diversity Fourth Edition* (4th ed., Brill, 2004) p. 1085.

sense that the latter is just one of the means to achieve the former. In fact, it is not guaranteed that by fostering coordination between institutions, substantial complementarity can be achieved.

2.2. *Competition*

Competition is the other Janus head in the context of the composite administration of climate finance. Facing a limited pledge of resources by developed states and an even more limited disbursement, inevitably, the various institutions acting in the global arena of climate finance compete in order to gain ground and administer public capitals.

On the legal plane, institutional competition is a dynamic that can be explained with referral to internal processes and how they relate with national and subnational actors, rather than horizontal institutional fragmentation, as it is the case for complementarity.[54] The multiplicity of institutions brought about different independent processes, in the sense that each institution has developed its own internal regulations related both to its internal governance (decision making process, membership, legal status, etc.), and its relationship with external actors, especially recipient entities. The latter category addresses issues such like access modalities to funds, conditionalities, fiduciary standards, redress mechanisms and transparency.

Institutional competition is a conceptual paradigm applicable mostly to these vertical relationships. The more an institution is able to offer a regulatory process that is clearly framed, transparent and participatory, the more a potential recipient country or entity is brought to choose that institution among diverse options. In a specular manner a donor would be keener to channel its resources to processes that better suit its interests of securing a result-based and efficient disbursement.[55] Institutional competition not only works as a comparative tool between the different levels of legitimacy among institutions. It also explains how innovative processes are developed and migrate from an institutional experience to another.

Cross-fertilization driven by competition is exemplified, for instance, by the issue of direct access to funds. Direct access refers to the possibility for a climate finance institution to accredit a national administration as an implementing agency of funded projects. Such agency needs to comply with the institution's fiduciary standards in order to be eligible for direct access. The beneficial aspect of this process –strongly claimed by developing countries during negotiations– is that it avoids the overlapping of institutional intermediaries from the sourcing to the delivery of finance, thus

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[54] This does not exclude that other socio-political factors can spur inter-institutional competition.

[55] This is confirmed, for instance, by an independent assessment of GEF's performance: *see* GEF Evaluation Office, "Fourth Overall Performance Study of the GEF", April 2010, pp. 37–8, available at <www.thegef.org>.

bypassing traditional multilateral implementing agencies such like development banks and UN agencies. Modalities for direct access have been first developed within the regulatory framework of the Kyoto Protocol's Adaptation Fund,[56] but progressively migrated to other institutions, including the recently established Green Climate Fund.[57] This brief example shows how institutional competition can engender innovative processes that can be later replicated in other experiences.

2.3. *The interplay between complementarity and competition*

If institutional competition can deliver positive effects to the overall governance of climate finance through flexibility and innovation, this might come at odds with the need to secure a certain degree of complementarity among institutions.[58] In other words, until some basic understandings among climate finance institutions are not reached through some identified legal avenues, then it is likely that the administration of global climate finance will continue to suffer from institutional proliferation and under-financed funds. From the purview of law, the diversity of processes is likely to work as a restraining force for substantive common legal frameworks. To be sure, the more an institution is capable of securing more funds – also thanks to its innovative and effective processes of finance delivery – the more it will be unwilling to see its sphere of competence formally constrained by common rules of coordination, since they would limit its activities for the benefit of an alternative initiative.

However, it should be noted that cross-fertilization spurred by competition (like in the case of direct access) might go hand in hand with complementarity, because the creation of similar regulatory tools within institutional processes can increase coherence and harmonize the system. Arguably, if significant regulatory harmonization takes place, recipient countries will at least face less regulatory uncertainty in accessing climate finance and fewer burdens and transaction costs will be put on their, often scarce, institutional capacity.

Overall, it appears that in a fragmented realm like the one at object complementarity and competition play both together and against each other. On one side, institutional competition works in contrast to the creation of a hard legal framework on competences; on the other, complementarity can be fostered by the flexible dynamics of competition through cross-fertilization. Still, according to the snapshot of the institutional realm provided above, the current balance between the two dynamics currently stands on competition. Hence, echoing some of the claims by

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[56] *See Adaptation* Fund, Decision 5/CMP.2, 2 March 2007, UN Doc. FCCC/KP/CMP/2006/10/Add.1, para 2(b).

[57] *See Launching the Green Climate Fund*, 15 March 2012, Decision 3/CP.17, UN Doc. FCCC/CP/2011/9/Add.1, para 7.

[58] In general, on how international institutions often learn from each other *see* PC Szasz, "Restructuring the International Organizational Framework" in EB Weiss (ed), *Environmental Change and International Law* (Civitas 1992) pp.340–84.

the UN and developing countries,[59] complementarity should be a substantive goal for the proper management of climate finance.

3. Informality and formalization of inter-institutional processes of coordination

3.1. *Emerging patterns*

Within the context provided, climate finance institutions are already engaging into mechanisms to enhance complementarity. Since (at least) the launching of the Bali Action Plan in 2007 to reach a new agreement on the climate under the UNFCCC,[60] states and climate finance institutions have been concerned with promoting means of coordination.[61] After years of developments under slow-paced negotiations in the UNFCCC,[62] three main patterns are currently emerging: i) initiatives that are external to the administrations acting in this composite model; ii) unilateral initiatives by individual climate finance institutions; and iii) direct inter-institutional coordination engendered by institutions themselves.

i) As to the first modality, in 2010 the UNFCCC COP established an inter-governmental body, the Standing Committee on Finance to the COP,[63] with the task of working *inter alia* as a communication hub "[…] among bodies and entities dealing with climate change finance in order to promote linkages and coherence."[64] At its last meeting in Doha in 2012, the COP mandated the Standing Committee to initialize a forum of communication among all climate finance stakeholders, including climate finance institutions; further, the Committee is expected to make a biennial assessment and overview of climate finance flows.[65] Despite being in its first stages, it is possible to notice the "soft function" of this Committee in providing a

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[59] *See* Burkina Faso and Philippines statements during the negotiation in the Transitional Committee for the Green Climate Fund: *Submissions by the members of the Transitional Committee*, Compilation Document 1, 25 May 2011, available at <unfccc.int/cancun_agreements/green_climate_fund/items/5868.php>.

[60] *Bali Action Plan*, Decision 1/CP.13, UN Doc. FCCC/CP/2007/6/Add.1, 14 March 2008.

[61] Even the G8 at its meeting in 2005 invited multilateral development banks to come up with a plan of action on energy and climate. *See* "The Gleneagles Communiqué", 2005, Plan of Action, available at < www.g8.utoronto.ca>, para. 25.

[62] On how sluggish progress in negotiation is nevertheless wielding innovative policy approaches *see* C Streck, "Innovativeness and Paralysis in International Climate Policy" 1 *Transnational Environmental Law* (2012) p. 137.

[63] *See The Cancun Agreements*, *supra* note 7, para. 112.

[64] *Establishment of […]*, Decision 1/COP17, UN Doc. FCCC/CP/2011/9/Add.1, 15 March 2012, para 121(a).

[65] *See Agreed outcome pursuant to the Bali Action Plan*, Decision 1/CP.18, UN Doc., FCCC/CP/2012/8/Add.1, 28 February 2013, paras 70-1.

platform for discussion and informal peer review of climate finance actions.[66] In the realm of external initiatives, also NGOs are extremely active in providing in depth studies on multilateral and bilateral climate finance flows and are sensitive to the issue of inefficient climate finance governance.[67] Although their capability in influencing coordination is indirect, their studies appear to be the most comprehensive to date and they certainly inform discussions and reviews.[68]

ii) Unilateral initiatives to enhance complementarity stem primarily from internal regulations and processes of individual institutions. The most common technique is to grant observer status to other competing institutions during the meetings of decisional bodies. When observer status is granted in a reciprocal manner, this creates the potentials for virtuous cooperation and, possibly, complementarity. For instance, the rules of procedure of the Global Environment Facility (GEF) Council allow the GEF CEO to "invite representatives of other organizations and entities […] to attend or observe the Council meetings".[69] The rules of procedure of the Participants Committee of the Forest Carbon Partnership Facility (FCPF) contain a similar provision, coupled by a list of permanent observers in the FCPF Charter. Being the FCPF a climate finance institution active in the field of forest carbon mitigation, it is expressly stated that relevant international organizations, representatives from the UN-REDD Programme and from the UNFCCC Secretariat should be invited to serve as observers to the Participants Committee meetings.[70] Also the UN-REDD Programme in the rules of procedure of its Policy Board allows for *ex-officio* observers to the meetings of its Policy Board, including representatives from the FCPF, the GEF Secretariat, and the UNFCCC Secretariat.[71]

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[66] On the role of peer reviews in the context of GAL, *see* G. Dimitropoulos, "Global Administrative Law as "Enabling Law": How to Monitor and Evaluate Indicator-Based Performance of Global Actors" [2012] IRPA Research Paper No 7/2012, available at <papers.ssrn.com/sol3/papers.cfm?abstract_id=2167405&download=yes>.

[67] The Climate Policy Initiative, the World Resources Institute, the Overseas Development Institute, the Heinrich Böll Fundation and the Oxford Climate Policy are the most active in the field.

[68] *See*, for instance, Buchner *et al*., "The Landscape of Climate Finance 2013", *supra* note 17; and the comparative studies of bilateral finance T. Fransen, K .Stasio and S. Nakhooda, "The US Fast-Start Finance Contribution", May 2012, Resources Institute and Overseas Development Institute, available at <pdf.wri.org/working_papers/ocn_us_fast-start_finance_contribution.pdf>; and T. Kuramochi, N. Shimizu, S. Nakhooda and T. Fransen, "The Japanese Fast-start Finance Contribution", November 2012, World Resources Institute and Overseas Development Institute and Institute for Global Environmental Strategies, available at <pdf.wri.org/ocn_jp_fast_start_finance.pdf>.

[69] *Rules of Procedure of the GEF Council*, October 2007, para 22, available at <www.thegef.org>.

[70] *See* respectively FCPF, *Rules of Procedure for Meetings of the Participants Committee*, as amended on October 2011, paras 8.01-02; and International Bank for Reconstruction and Development (IBRD), *FCPF Charter*, revised on 11 May 2011, Section 10.1(b), both available at <www.forestcarbonpartnership.org>.

[71] *Rules of Procedure and Operational Guidance*, UN-REDD Programme, March 2009, para. 1.2, available at <www.un-redd.org/PolicyBoard/tabid/102628/Default.aspx>.

iii) The third category comprises all those initiatives agreed between climate finance institutions themselves, which are based on either broad inter-institutional frameworks for coordination, or some specific joint programmes, or can even result into the creation of brand-new climate finance institutions.

The latter case is exemplified by the Climate Investment Funds (CIFs), a new entity based on a partnership between different multilateral development banks.[72] Established in 2008[73] as a result of a G8 action plan to climate finance and energy,[74] the CIFs' scope is to promote the mainstreaming of climate change into multilateral development banks' operations.[75] The governance structure of the CIF is based on a binary relationship between two inter-governmental committees administering two different "sub-funds" with the World Bank providing administrative and trustee services.[76] Coordination among participating institutions takes place in a Multilateral Development Bank Committee which holds the tasks of "[…] identifying specific areas of MDB cooperation to harmonize their climate change programs and actions […]", ensuring effective cooperation, and liaise with other climate finance institutions.[77]

Examples of joint programmes among climate finance institutions are plenty and difficult to track in their entirety. This initial research shows that they probably constitute the main mean of cooperation among institutions and depend on their varying capacities and comparative advantages. Often, joint action takes place through co-financing in individual projects[78] or in national and regional programmes with broader or sectoral scopes.[79] In these cases, complementarity is sought on the

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72 The partners are the World Bank Group, the African Development Bank, the Inter-American Development Bank, the Asian Development Bank and the European Bank for Reconstruction and Development. *See* <https://www.climateinvestmentfunds.org>.

73 World Bank, *Minutes of Meeting of the Executive Directors of the Bank and IDA*, M2008-0052, para 3, 19 August 2008.

74 "The Gleneagles Communiqué", 2005, Plan of Action, para. 25, available at <www.g8.utoronto.ca>.

75 *Climate Investment Funds: the Clean Technology Fund and the Strategic Climate Fund*, Sustainable Development Framework, 8 June 2008, para. 12, available at < documents.worldbank.org/curated/en/home>.

76 The CIFs funds are the Clean Technology Fund and the Strategic Climate Fund. The committees of the two funds hold joint meetings regularly: *see* <https://climateinvestmentfunds.org/cif/meetingdocuments/archived/ctf-scf>

77 CIFs, *Governance Framework for the Clean Technology Fund*, as amended in December 2011, para 34, available at <www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/CTF%20Governance%20Framework-FINAL.pdf>.

78 An example is the project: "Efficient lighting and appliances" (World Bank Project ID: P106424). The total cost of almost USD 715 sees the contribution by the IBRD (USD 250 million), GEF (USD 7 million), and the Climate Technology Fund (USD 50 million), with the remaining finance sustained by the Mexican Government and private investors.

79 The Regional Climate Change Programme, for instance, is co-financed by the UK Department for International Development and the Swedish International Development Agency and

basis of individual institutional strategies, rather than according to more comprehensive sharing agreements among institutions.

On the other hand specific inter-institutional frameworks of cooperation are emerging and arguably represent some initial efforts to set down clearer modalities of coordination. These frameworks are rarely established under formal instruments.[80] Rather, they stem from joint arrangements[81] and (mostly) informal meetings between representatives of the interested institutions.[82] Based on 'soft legal' forms of engagements, such frameworks often set down principles, general areas of cooperation and platforms for coordination, while still leaving an ample margin of discretion to single institutions. Recalling the dynamics occurring in climate finance, it seems that these emerging practices aim to strike a balance, favoring complementarity but still guaranteeing institutional competition.

3.2. *Critical remarks*

Leaving aside the question of the efficacy of these three approaches to deliver complementarity on the ground, from a legal perspective several remarks can be made. In the absence of a central authority in such a composite administration, the UNFCCC COP –probably the only international institution with a strong legitimacy to act at global level– is making use of its central role in global climate regulation to promote complementarity by soft means, despite its lack of formal authority on all climate finance institutions. This is unlikely to lead to any legal framework able to set principles and rules of coordination. However, one should not underestimate the

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aims to develop transboundary adaptation capacity in Southern Africa regions. *See* <www.oneworldgroup.co.za>.

[80] An example is a Memorandum of Understanding (MoU) between the EU Commission, the European Investment Bank and the World Bank for the establishment of a strategic partnership in several regions of interest *Memorandum of Understanding for a Strategic Partnership […],* Brussels, 4 May 2004, available at <www.eib.org/attachments/memorandum_of_understanding_040504.pdf>. Interestingly, the MoU sets up a High Level Steering Group to promote coordination. A similar MoU has also been adopted between the World Bank and the Asian Development Bank: *see Memorandum of Understanding on Administrative Arrangements […]*, date not specified, available at <http://www.adb.org/sites/default/files/mou-wb.pdf>.

[81] Stewart defined them as "mutual recognition agreements and cooperative regulatory equivalence determinations." However, in the case at object they take place among global institutions rather than national administrations. See R.B. Stewart, "US Administrative Law: A Model for Global Administrative Law?" 68 *Law and Contemporary Problems* (2005) p. 63, p.65.

[82] In the field of REDD + finance, after a policy proposal by the Forest Initiative Programme sub-committee of the CIFs, a joint meeting of the governing bodies of FIP-CIFs, UN-REDD Programme and FCPF took place in November 2010. This led to the creation of a Common Delivery Platform at state level for the efficient delivery and implementation of projects. *See Update on REDD + Collaboration*, CIFs Doc. FIP/SC.7/Inf.2, 26 October 2011, para. 2. Another example is the International Partnership on Mitigation and MRV. Established after an inter-ministerial meeting of forty governments, it provides a forum for interaction and peer review of climate finance projects in the field of mitigation. *See* <mitigationpartnership.net/>.

potential of the Standing Committee on Finance to adopt a more ambitious strategy including, for instance, the releasing of guidance documents or reports to the COP on how complementarity should be promoted. Seemingly, interested institutions are directly bringing about different techniques of coordination. Although practices are emerging on granting reciprocal observer status in decision making bodies and on creating inter-institutional cooperating platforms, such activities are scattered and do not lead to agreed rules of coordination among entities, but rather work as early steps to that direction.

Further, a challenge on gauging the legal significance of these inter-institutional linkages under a GAL conceptualization is given by the high level of informality of these engagements. Informality certainly allows institutions to be flexible and resolve their overlaps on individual cases with a high degree of discretion, but at the same time it raises questions of accountability and legal certainty as to their action. Whilst the literature has already expressed such concerns in the context of transgovernmental networks between national administrations,[83] here the issue is translated at the global level, where the inter-institutional dimension comprises both national and international entities. The growing informality of coordinating processes in climate finance is making such institutions unconstrained by any meaningful legal check on the share of competences. As Goldmann puts it:

> […] the tendency of international institutions to increase their autonomy makes the [principle of implied powers] likely to prevail, and international institutions arrogate competencies not explicitly provided for in the founding instrument. This development has serious repercussions for national power balances.[84]

While the principle of states' (and IOs') consent in international law works as a restraining force to deliver any comprehensive principle of inter-institutional coordination,[85] under a GAL perspective the same issue gains more relevance, because of the function and the rationale of the activities carried out by climate finance institutions. To put it bluntly, being global administrative bodies, climate finance institutions should acknowledge that their informal engagements in cooperation might raise accountability concerns by interested actors, especially in the cases where such engagements do not prove effective. Accountability from informality does not infer that climate finance institutions should adopt a hard set of

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[83] A-M. Slaughter, "The Accountability of Government Networks" 8 *Indiana Journal of Global Legal Studies* (2000) p. 347; and J. Pauwelyn, "Informal International Lawmaking: An Assessment and Template to Keep It Both Effective and Accountable" in J. Pauwelyn *et al*. (eds.), *Informal International Lawmaking*, *supra* note 41, pp. 500–37, at p. 503.

[84] M. Goldmann, "Inside Relative Normativity: From Sources to Standard Instruments for the Exercise of International Public Authority" 9 *German Law Journal* 1865–1908 (2008), p. 1902.

[85] This is unsurprisingly an old issue. *See* C.W. Jenks, "Co-ordination: A New Problem of International Organization: A Preliminary Survey if the Law and Practice of Inter-organizational Relationships" 84 *RCADI* (1950) p. 151.

inter-institutional regulation under formal agreements: applying what Kingsbury and Casini argued in the context of fragmentation, informality "[…]is not much a problem, a solution, or an analytic idea: it is simply a feature".[86] Hence, as a feature, it should stimulate legal scholars to further explore how it relates with the emerging principles of GAL. A proposition in the context of climate finance might be, for instance, that complementarity is actually emerging as a legal principle governing inter-institutional relationships and somehow bringing institutions to find means of coordination. However, form the findings above it is still too early to claim that such principle is also trickling down to a horizontal framework of coordinating rules, for how desirable that might be.

Conclusions

Several practices of coordination are emerging in the context of the international composite administration of climate finance. While some attempts to promote complementarity are being shaped by the UNFCCC COP, its lack of legal authority on entities that act externally from the climate regime has led institutions themselves to come up with individual, bi- and multi-lateral initiatives. This initial study highlights, however, that the scattered nature and soft content of these initiatives is far away from a comprehensive framework for coordination among institutions. The matter is complicated by the fact that many of these coordinating activities take place through informal means. Under a GAL perspective, institutional complexity coupled with informality raises questions of accountability of climate finance institutions, particularly when (and it is often the case) actors lament the sluggish and ineffective disbursement of resources. An initial proposal worth of further exploration is that the concept of complementarity is emerging as a principle informing inter-institutional relationship, which might work as an accountability tool to inform the complex net of inter-institutional linkages.

[86] B. Kingsbury and L. Casini, "Global Administrative Law Dimensions of International Organizations Law", *supra* note 36, p. 358.