

# The Rockefeller Brothers Fund's Democratic Practice Global Governance Portfolio Impact Assessment, 2010–2015

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***Disclaimer: While this report was commissioned by the Rockefeller Brothers Fund, the views and opinions expressed in this report are solely those of the authors.***

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## Executive Summary

This report evaluates the progress of the Rockefeller Brothers Fund (RBF) Democratic Practice–Global Governance (DP-GG) portfolio in the context of the program-specific goal, strategies, and the RBF mission. The overarching goal of the DP-GG program is to “strengthen the vitality of democracy in global governance.” It is pursued through support for three strategies (transparency and accountability, access and participation, and innovation), and focused on three substantive areas (trade, climate, and development finance). Over the six-year period 2010 through 2015, the RBF invested \$17.3 million<sup>1</sup> in grants and appropriations in the Global Governance portfolio. This includes 182 grants to 79 organizations, as well as support for 18 meetings at The Pocantico Center and 13 nongrant appropriations for consultancies and outside meetings. The average annual budget of the DP-GG portfolio is \$2.95 million, a modest figure given the complexity and scale of issues these grants endeavor to tackle.

We find the investments of this portfolio have been remarkably effective in elevating the discourse of public debates to advance innovative ideas and confront some of the most intractable issues of our time—trade, climate change, and development finance—the substantive areas of focus for this portfolio. The dominant characteristic of this portfolio of grants has been to raise the profile of underrepresented viewpoints—those that are typically marginalized in global machinations surrounding economic, social, and political dialogues.

Unquestionably, the DP-GG portfolio was successful in advancing its primary goal—strengthening the vitality of democracy in global governance—in the context of the RBF’s overarching vision of social change that contributes to a more just, sustainable, and peaceful world.

There were several noteworthy accomplishments during the six years of grantmaking evaluated by this report that involve bold and perhaps groundbreaking achievements. Some of these include building “connective tissue” between climate justice and labor interests, injecting technical climate data into policy debates to advance climate justice and equitable finance, enabling observers to participate in the Green Climate Fund (a new and significant global governance institution), and building a global civil society network, which is challenging and stopping new fossil fuel projects and influencing international financial institutions.

Overall, RBF grantmaking supported groups focused on improving civil society’s understanding and knowledge of trade, finance, and climate change, as well as on monitoring and exposing undue influence in related negotiations to secure more balanced outcomes. Grantmaking primarily supported organizations that helped shape the framing of policies in all three priority substantive areas.

In the “Innovation” portion of the portfolio, we found investments with particularly outsized impacts relative to the modest amount invested. This strategy enabled the RBF to seed new ideas, such as: to build an improved understanding of how greenhouse gas emissions relate to climate and development goals; make progress in exposing problems with investor-state dispute settlement provisions in trade agreements; provide well-researched quantitative analysis on the higher risk of investing in fossil fuels if we are to stay within a two-degree limit; reframe the equity debate for

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<sup>1</sup> Refers to Global Governance support only. Overall grantmaking totals \$19.7 million; other programs contributed \$2.4 million toward shared grants. Two grants were lapsed without payment.

climate negotiations; and develop and deploy technology platforms to align and amplify the voices and increase the impact of civil society groups across issues and geographies.

DP-GG impacts from 2010–2015 are meaningful despite some disconnect between the portfolio's strategies, theory of change, and the results in practice. The two main strategies center around an assumption that an increase in transparency, accountability, access, and participation will increase democratic vitality within the institutions of global governance. Shifting the DP-GG portfolio away from grantmaking explicitly targeting institutional-level reforms, staff pursued these strategies by increasing demand for policy reforms on substantive issues (trade, climate, and finance) in key global policy fora. The program has been constructed on the theory that assertive citizen engagement in these substantive domains will increase democratic vitality and increase transparency, accountability, access, and participation in global governance processes and institutions. In practice, although DP-GG support effectively catalyzed the targeted substantive policy reforms, there was notably limited progress on advancing transparency, accountability, access, and participation at the level of systemic shifts within global institutions.

Most of today's institutions of global governance were created following World War II, and their governance processes have remained substantially unchanged since then. Calls for their reform are abundant, and changes are slow to manifest—which certainly makes it difficult to demonstrate DP-GG results on a limited budget over a period of years as opposed to decades. Today's most pressing challenges transcend national borders and demand a robust system of multinational cooperation. The global economic system and the social and natural capital upon which it depends present global challenges that cannot be solved by any single country. It has been the work of this portfolio of grants to shine a light on the failings of the current systems through a substantive lens—trade, development finance, and climate change—by injecting new ideas and amplifying voices offering meaningful solutions to some of the world's most pressing global problems.

We find any overall judgment regarding the level of effectiveness of this portfolio may depend on the degree to which the reader values substance over process: The indicators of progress identified by RBF staff were not designed to track systemic changes but rather substantive outcomes, and to that effect, the DP-GG portfolio did demonstrate significant success, even as pursuit of the strategies yielded relatively little governance-related institutional change.

In sum, we can confidently say that the RBF's contributions increased the quality and vitality of global dialogues, leading to some important policy changes, even as grantmaking funds were limited and disproportionate to the scale of the challenges tackled. Given the length of time necessary to secure lasting changes in governance structures themselves, it may be premature to determine the long-term impacts of the DP-GG portfolio contributions. Nevertheless, the current findings suggest that going forward, the DP-GG program may wish to either increase funding to complement the substantive engagement with an explicit focus on institutional reforms in transparency, accountability, access, and participation that directly advance the DP-GG strategies, or instead shift the DP-GG strategies by building on the proven success in using global institutions as a means to enhance the democratic vitality of key debates in priority issue areas.

## I. Introduction

Since 2010, the Rockefeller Brothers Fund’s (“RBF”) Democratic Practice program has sought to “strengthen the vitality of democracy in the United States and in global governance.” The global governance component within this program—known as the Democratic Practice–Global Governance (DP-GG) portfolio—is based on the premise that in order “for democracy to flourish and deliver on its promises ... its citizens must be engaged, empowered, and assertive. Similarly, institutions of governance must be inclusive, transparent, accountable, and responsive.”<sup>2</sup> Accordingly, the DP-GG portfolio has been pursued through three strategies: enhancing transparency and accountability, expanding access and participation, and advancing innovation in global governance.

Because the scale of global governance institutions is vast and complex, and because decisions made by these multilateral organizations, multinational corporations, and international finance institutions seem to repeatedly lack adequate transparency, inclusiveness, and accountability, DP-GG chose to focus its work in three key areas of global economic governance: trade, development finance, and climate change.

After six years of grantmaking (2010–2015), the Fund decided to step back and assess the impact of the DP-GG portfolio in relation to both the program’s strategies and substantive areas of focus. In January 2016, the RBF selected a two-person team, Kristen Hite and Melissa Shackleton Dann, to undertake the assessment. RBF leadership and DP-GG staff described the objectives as follows:

- Assess if grantee and Fund activities are making progress against the goal of the program by providing evidence of changes in understanding, behavior, capacity, public engagement, policy, and other dimensions.
- Provide feedback on the responsiveness and effectiveness of the portfolio’s strategies in advancing the goal.
- Discuss the context and evolving trends in globalization, and the challenges of democratic practice in global governance.
- Review activities such as funder collaborations, convenings with grantees, and so forth.
- Suggest areas where anticipated progress has fallen short.
- Present recommendations for the Fund’s future work on global governance.

## Methodology

In consultation with RBF staff, the evaluation team developed the methodology for this evaluation:

- An initial meeting of the evaluation team with key staff at the RBF’s New York office to discuss and agree on the assessment focus and approach. The team then developed a work plan that reflected this discussion.
- Review of the Fund’s documents, including program guidelines, grant docket, budgets, grantee reporting, and other internal relevant materials. In addition, the team reviewed the indicators used to identify progress and any additional information of that type.

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<sup>2</sup> 2011 RBF Program Memorandum

- In-person, Skype, and phone interviews with RBF staff and board members, current and former grantees, and other donors and outside experts.
- Attendance at a grantee-organized conference to learn and observe grantee work and funder engagement (the International Energy Economics and Financial Analysis [IEEFA] conference, March 17–18, 2016).
- A meeting in Washington, D.C., with lead RBF staff to discuss initial findings and proposed outline for the report.
- Preparation of this report.

The evaluation team has focused this assessment primarily around the impact of the program strategies through the lens of the substantive issue areas. We have sought to understand how grantees and the Fund have engaged in select areas of global institutional processes and agreements. We have found that the DP-GG portfolio, like the patchwork of global governance it endeavors to transform, is complex, and we have done our best to account for the interwoven strategies, issue areas, and grantmaking initiatives to discern the overall impact and enduring value of the program as a whole.

Overall, the evaluation team spoke with 62 individuals that included 33 current grantees, three former grantees, four board members, four staff, nine funder partners, and nine experts. Note that this includes most, but certainly not all, DP-GG grantees, including a significant cross-section of “key” grantees. In order to encourage candor, we offered an opportunity for off-the-record observations and, where relevant, we relayed those comments appropriately. We feel fortunate in receiving a significant amount of remarkable feedback from an extraordinary group of individuals who dedicate their intellect and passion to the greater good. It was a privilege to connect with them; we regret that space does not allow us to report in detail all of the fine work shared with us.

## **II. Background, Context, and Trends**

Most of today’s institutions, rules, and processes of global governance grew out of the ruins of World War II, and many are still in place today, seven decades later. The root of these systems—the idea of collective security—was the central focus of the League of Nations; it was set up immediately following WWI to manage global responses to significant military threats. The League, of course, failed to prevent WWII, and with its dissolution in 1946, the current era of global governance was ushered in by the creation of the United Nations, World Bank, International Monetary Fund (IMF), General Agreement on Trade and Tariffs (GATT), and Universal Declaration of Human Rights.

Within each of these, there is an inherent tension between the rights of sovereign nations and the need for collective action to address multinational issues such as security, the environment, and rules for a global economy. This tension is still at the heart of the challenges of fair and effective global governance. Compounding this challenge has been the advent of globalization characterized by significant growth in volume of finance, goods, services, technologies, and people flowing across national borders on the one hand, and an unparalleled degree of economic concentration and inequality on the other.

Several key trends illustrate in bold relief the challenges of global governance today.

## Global Trends

- *Environmental crises*: Dramatically accelerating climate change, chemical pollution, ocean acidification, species extinction, biodiversity loss, and other critical environmental trends transcend political boundaries and pose profound collective action problems, while both generating conflict and upending assumptions in science, law, finance, and culture.
- *Great powers and emerging multipolarity*: The “great powers” that created the institutions following WWI and WWII are still dominant forces in many international institutions. To this day, the United States appoints the head of the World Bank; the head of the IMF is European; and the World Trade Organization (WTO) was headed by Europeans until just over a decade ago. The number of nations that were the original Member States of the United Nations has swelled from 51 in 1945 to 193 today. These figures alone reveal the inherent challenges of a multipolar world. Permanent membership of the U.N. Security Council reflects the victors of WWII, not current power dynamics.
- *Multinational corporations*: Although sovereign nations still anchor global governance systems, multinational corporations often eclipse national governments’ economic power, presenting unique challenges for international institutions whose authority derives from powers conferred by national governments.
- *New threats*: New and escalating types of systemic risks—as demonstrated by the 2008–2009 financial crisis, chronic cyber-security breaches, persistent conflict/war, waves of migration, the spread of infectious diseases and other challenges—have revealed fundamental shortcomings of existing global institutions to meet and manage these risks.

## Trends in Global Governance

- *Global vs. National*: Tension between respecting national sovereignty and the need to seek international solutions to trans-boundary threats continues to be at the root of effective global governance. Global problems are increasingly defaulting to national systems as opposed to international institutions, which can compromise the effectiveness of collective global action over the longer term.
- *Domination of economic rules*: Powerful economic and geopolitical interests seem to control and overshadow social equity and environmental obligations. For example, there are now more than 3,000 binding and enforceable bilateral or regional investment treaties primarily geared at protecting the rights of wealthy investors, and they all too frequently result in human rights violations without recourse.
- *Rival institutions*: Frustrated with failed policy prescriptions and unbalanced representation in global governance, in particular after the 1998 financial crisis in Asia, some emerging economies have begun to pursue novel country alliances and build rival institutions. For example, operations of Brazil and China’s national development banks are many times larger than the World Bank, and have different governance structures and lending policies than their Bretton Woods counterparts.
- *New ideas*: Some international processes have provided vital forums for challenging the dominant development paradigms of the post-WWII period, starting with the Universal Declaration of Human Rights, through the high-profile global conferences of the 1990s, to the

U.N. Sustainable Development Goals of 2015, whose 17 goals and 169 targets merged the global development and sustainability agendas, redefining “progress.” These are a critical means to challenge standard and entrenched development paradigms.

- *Multipolarity*: The constellations of powerful country negotiating blocs are shifting. International governance space is no longer neatly divided between developed and developing countries.

Global governance today is a patchwork of disjointed institutions, rules, and processes plagued by inadequate transparency and accountability, and imbalanced representation and participation. Arguably there has never been a greater need for stable, dependable global governance institutions.

Recent events illustrate in bold relief the challenges of global governance today:

- *Interdependence of the global economy*: Following the financial crisis of 2008, there were calls for greater regional and global collective action. The G-20 emerged as the preferred place for political leaders to exchange perspectives. Yet with Brexit, fault lines in a monetary union without fiscal control revealed, once again, the fragile nature of our global economy. Continuing challenges—such as the intake of vast numbers of migrants and their impact on local economies, and stagnate wages in the face of growing cost of living—will continue to challenge the role of global institutions.
- *Leadership vacuum*: In the World Economic Forum’s Survey on the Global Agenda, 86 percent of respondents feel we face a leadership crisis. The rise of non-state actors such as ISIS(L); the autonomous actions of Syria, North Korea, or Iran; the U.S. system’s disarray over its presidential candidates; and the ongoing void of trustworthy leadership in Africa all combine to undermine the promise and the need for global governance. Disequilibrium abounds in governance systems strained by the challenge of self-interest vs. belief in united action. The many issues that transcend national borders—climate change, ocean acidification, disease vectors—demand collective engagement.
- *Challenges to legitimacy*: Strong trends towards sovereignty also influence the degree to which countries will respect international processes, as the recent dispute over the South China Sea illustrates: Although China is a party to the U.N. Convention on the Law of the Sea, it rejected the Convention-mandated tribunal’s ruling that found in favor of the Philippines.
- *Ever-increasing corporate power*: Although sovereign nations still claim political power, many multinational corporations have eclipsed national governments’ economic power, presenting unique challenges for international institutions whose authority derives from express powers conferred by national governments.

These evolving global trends are forcing a redefinition of global governance against a backdrop of institutions that still reflect an older global order and that have not kept pace with today’s challenges. Trying to infuse these outdated systems with democratic principles seems, at times, a Sisyphean task.

It has been the challenge of this portfolio to navigate the United Nations and other institutions of global governance while confronting the realities of systems that are woefully inadequate to deal with today’s complex economic and geopolitical interests. The Fund’s work in this area starts from the belief that, at its root, this is a challenge to democracy. RBF staff have approached these challenges by working across levels and scales of impact on critically important global issues. Indeed, as stated in the RBF’s 2015 Annual Review:



*“At the international level, political globalization hasn’t kept pace with economic globalization. The institutions and processes of global decision-making—the mechanisms of global governance—are under-developed and insufficiently democratic in terms of inclusivity, equity, transparency, and accountability. In light of these trends, civil society is even more essential in safeguarding freedom, holding governments to account, and advancing reforms in our democratic processes and institutions.”<sup>3</sup>*

### **III. Program History, Budget, and Approach**

RBF’s Global Governance portfolio originated in the 1990s from an interest in marine, forestry, and other environmental challenges that transcended national borders and required globally coordinated policies and strategies for solutions. In 2003, grants supporting work that connected local or national problems to global policies and processes were brought together as the Global Governance portfolio of the Fund’s Democratic Practice program.

Grantmaking in the Global Governance portfolio prior to 2010 included building civil society capacity to contribute to international standard setting and expanding participation in trade and development institutions. Beginning in 2010, RBF staff increased the emphasis on global economic drivers, reasoning that these rules tend to be binding and reinforced by greater enforcement powers. The hope was that pursuing pragmatic targets would result in tangible outcomes, especially in the areas of trade, development, and climate finance, and that engagement on these substantive areas would lead to changes in global governance processes and more democratic outcomes. This is in contrast to efforts to effect procedural changes in how decisions are made at the institutional level.

From 2010 to today, the Democratic Practice–Global Governance portfolio has operated with a single goal: “to strengthen the vitality of democracy in global governance.” As stated in DP-GG materials, “the program’s core ideas—that for democracy to flourish and deliver on its promises, its citizens must be engaged, empowered, and assertive, and institutions of governance must be inclusive, transparent, accountable, and responsive—provide a frame for the Fund’s Democratic Practice grantmaking in the United States and in global governance.”

Over the six year period 2010 through 2015, the RBF invested \$17.3 million<sup>4</sup> in grants and appropriations in the Global Governance portfolio. This includes 182 grants to 79 organizations, as well as support for 18 meetings at The Pocantico Center and 13 nongrant appropriations for consultancies and outside meetings. The average annual budget of the DP-GG portfolio is \$2.95 million, a modest figure given the complexity and scale of issues these grants endeavor to tackle.

The average grant size was just over \$100,000; the majority (71 percent) of grants were for one year of support. Eighty-six percent of the grants were awarded to returning grantees; 37 percent of those grants, however, were for new purposes. Forty percent of the grantees are located outside of the United States.

The Democratic Practice–Global Governance portfolio operates under the assumption that strengthening democratic principles and practices in global governance helps achieve a more just, sustainable, and peaceful world. If there is meaningful and informed public participation, if processes

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<sup>3</sup> 2015 RBF Annual Review, President’s Message

<sup>4</sup> Refers to Global Governance support only. Overall grant making totals \$19.7 million; other programs contributed \$2.4 million toward shared grants. Two grants were lapsed without payment.

are transparent and institutions are held accountable, there is a greater likelihood that the policies, behaviors, and actions of global actors and institutions will work collectively for the greater good.

## Program Strategies

This program consists of three strategies that are pursued in three areas of global governance; the strategies are intended to achieve the overarching goal of the DP-GG program, namely to **“strengthen the vitality of democracy in global governance,”** and are as follows:

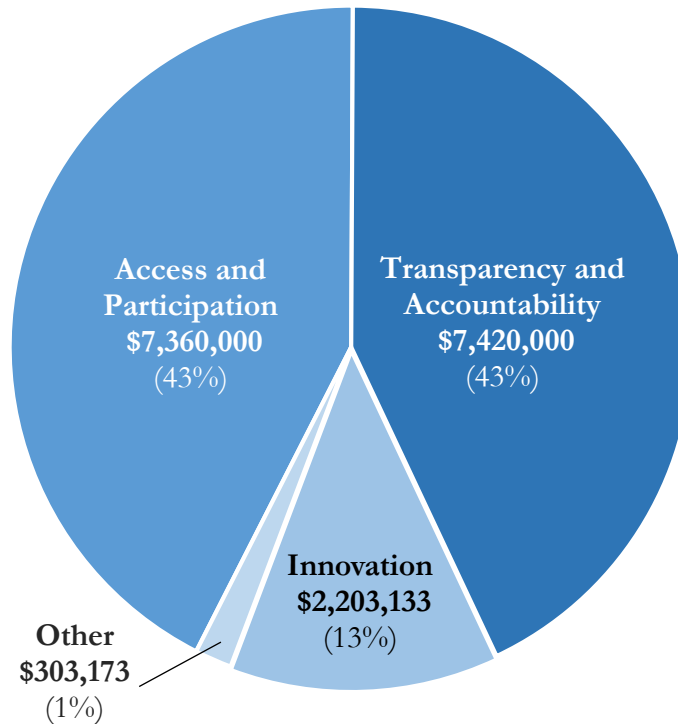
1. Enhancing transparency and accountability of global governance institutions and decision-making processes. (Referred to as “transparency and accountability”.)
2. Expanding access to and participation in global governance institutions and decision-making processes. Priority is given to initiatives led by or in support of constituencies underrepresented in global governance. (Referred to as “access and participation”.)
3. Advancing new ideas, advocacy approaches, and institutional arrangements aimed at more effective and democratic decision making in global governance and more just and sustainable outcomes. (Referred to as “innovation”.)

Table 1 below shows the budget breakdown by strategy.

**Table 1: DP-GG Budget by Strategy, 2010–2015**

<b>Strategy</b>	<b>Awarded</b>	<b>Number of Grants</b>	<b>% of \$ Awarded</b>	<b>% Number of Grants</b>
1. Transparency and Accountability	\$7,420,000	52	43%	24%
2. Access and Participation	\$7,360,000	80	43%	38%
3. Innovation	\$2,203,133	60	13%	28%
Other	\$303,173	21	1%	10%
<b>TOTAL</b>	<b>\$17,286,306</b>	<b>213</b>	<b>100%</b>	<b>100%</b>

**Democratic Practice–Global Governance**  
 Grantmaking Dollars by Program Strategy  
 2010–2015



Of the three strategies, Strategy 1 (“transparency and accountability”) and 2 (“access and participation”) each received nearly the same percentage allocation (approximately 43 percent) of the total program expenditure (see graphic). The focus of both strategies are central attributes of a robust democracy: support for organizations and people to become engaged, informed, empowered, and assertive through greater transparency, accountability, inclusiveness, and responsiveness. The RBF team draws a clear distinction between the purpose of Strategies 1 and 2, however. Staff characterize the key questions for Strategy 1 as: “Does the public have clear and accurate information on global governance institutions and processes?”; “Who is making decisions within global governance institutions and on whose behalf?”; “Is the public aware of how the machinations of global governance affect them?” These questions come from the reasoning that without basic transparency and accountability, what global governance is and does is opaque, and democratic practice is nearly impossible. Staff also identified key questions under Strategy 2: “Do citizens and their organizations have entry points to engage with global governance institutions?”; “Do they have the resources (organizational, leadership, analytic, network, financial, etc.) to effectively engage with these institutions and processes?” These are based on finding out how citizen engagement, or lack thereof, reveals whether democracy is practiced in global governance.

Grants under Strategy 2 were smaller and more numerous (80 vs. 52 in Strategy 1), which staff say is due to the value of ensuring that individuals and organizations are present and able to participate at key institutions and global conferences to advocate for livelihoods, equity, and environmental stewardship.

Strategy 3 (“innovation”) aims to generate new ideas and fresh approaches, and provide sound analysis on critical trends to improve democratic decision making. This strategy has been critical in creating the intellectual framework for Strategies 1 and 2. Its overall allocation, while only 13 percent of the total, yielded remarkably significant results.

It bears noting that there is significant overlap among the strategies. Grantees often pivot from working to secure transparency into efforts to engage and participate in global governance, making categorization a challenge. Likewise, we see significant levels of innovation from grants not specifically provided under Strategy 3. As discussed in more detail below, this overlap may be related to staff engaging in global governance process and institutions as a means to achieve substantive outcomes versus as ends unto themselves.

## Program Areas

Given the unwieldy set of actors, institutions, treaties, and processes in global governance, RBF staff elected to pursue the strategies of advancing transparency, accountability, access, participation, and innovation through three substantive areas:

1. **Trade and Investment Agreements:** Create a fair and sustainable global system of rules on economic integration by supporting citizen understanding and engagement with rule-making processes and select efforts to reform existing rules. (Referred to as “Trade”.)
2. **Climate Change:** Secure global measures on climate that are fair, binding, and commensurate with the crisis through shaping and sharpening global attention to the crisis; supporting developing country perspectives in U.N. Framework Convention on Climate Change (UNFCCC) and other negotiations; and addressing equity by pressing for transparent and accountable climate finance. (Referred to as “Climate”.)
3. **Development Finance:** Ensure that global public finance institutions are, in fact, contributing to improved livelihoods and sustainability by supporting citizen understanding and engagement with international financial institutions (IFIs). In particular, the program has focused on “climate finance” (often considered separately from development finance) and on the institutions set up to provide global public finance for climate solutions and how those institutions might be exacerbating the climate crisis. (Referred to as “Finance”.)

Each of these areas reveals critical risks to achieving the social change necessary for a more just, sustainable, and peaceful world. Trade rules and the way in which they are created often undercut democracy and the ability to promote livelihoods and protect the environment. Climate change has a disproportionate impact on vulnerable populations. In development finance institutions, decisions remain beyond public knowledge and reach, yet can define the global practices and standards that lock countries into unsustainable and detrimental pathways. Woven throughout these narratives is both the profound and escalating interdependence on issues that transcend borders and the massive imbalance in wealth and power. In reviewing this portfolio, it became clear that Fund staff prioritized the need to amplify underrepresented perspectives in the course of elevating the public debate on these globally critical issues.

Staff structured the DP-GG portfolio based on the assumption that, in order to motivate and sustain the efforts needed to forge democratic practices in global governance, citizens must directly experience and identify with key issues impacted by global decision-making processes. To this end, RBF staff distinguished opportunities in areas where civil society could meaningfully engage and there was an opportunity to have impact, as opposed to macro-level calls for institutional governance

reforms, which can feel remote and unattainable. Staff gravitated towards supporting CSO (civil society organization) engagement in carefully selected areas in the belief this would drive longer-term systemic changes in global governance.

The graphic below maps the breakdown of key grantees by issue area and is a useful tool to better understand how the strategies relate to and support the substantive areas. Each circle represents a thematic area; areas of intersection are noted, and at the center is a cluster of organizations that are engaged in all three areas; this serves as the “Core.” The grantees in the Core area comprise a group whose work provides the intellectual underpinning for grantees engaged in substantive issues. Some of this work includes mapping the evolving landscape, analyzing trends, providing advocacy support and real time monitoring in global governance processes, communications, supporting network campaign efforts, and more. As an illustration of how important Core grants are, 55 percent of all work of Strategy 1 rests in the Core. As the map below demonstrates, grantees interact and overlap on the issue areas and are further grouped by strategy (again often overlapping), making coding of grants at times challenging and to some degree extraneous.

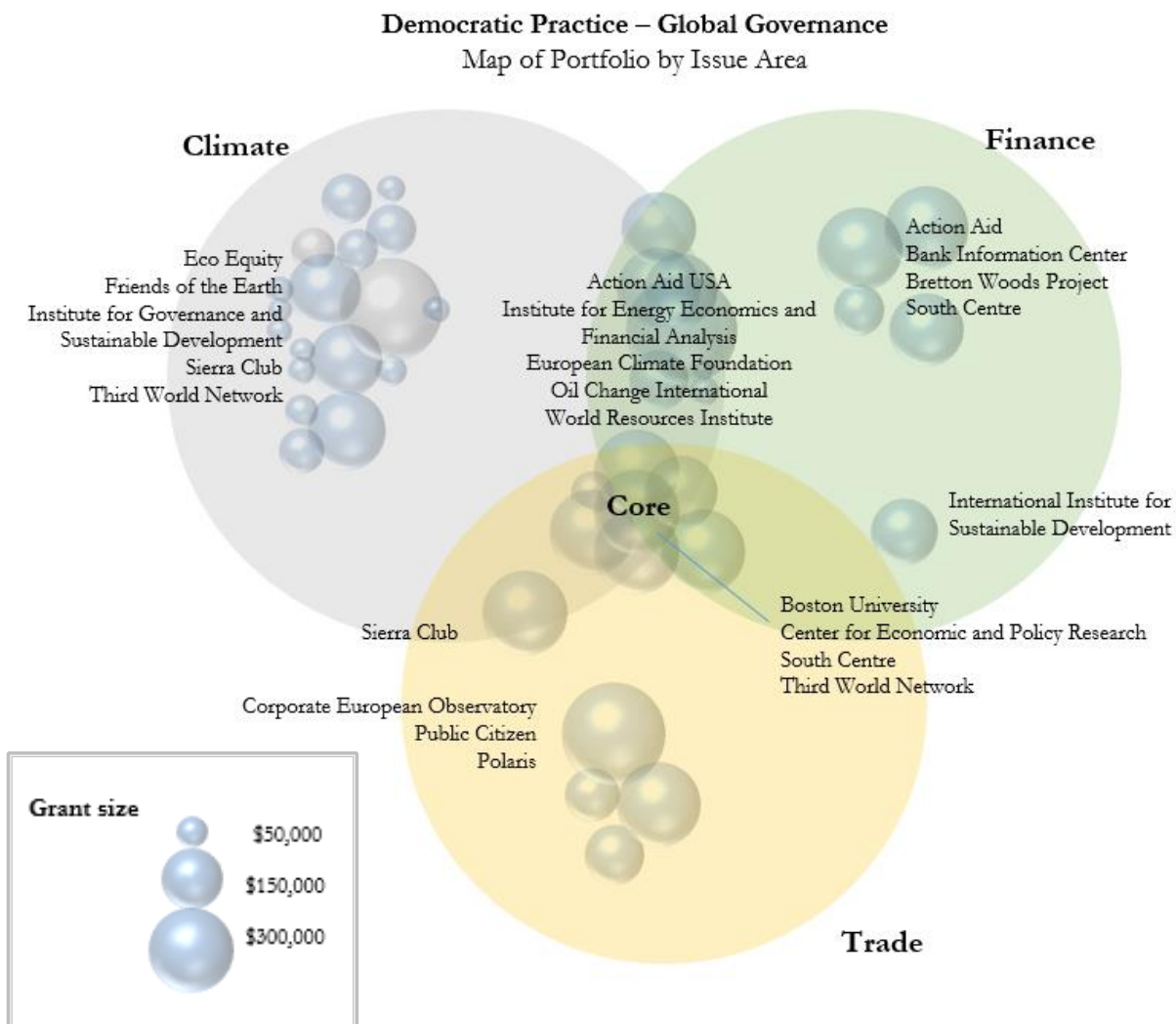
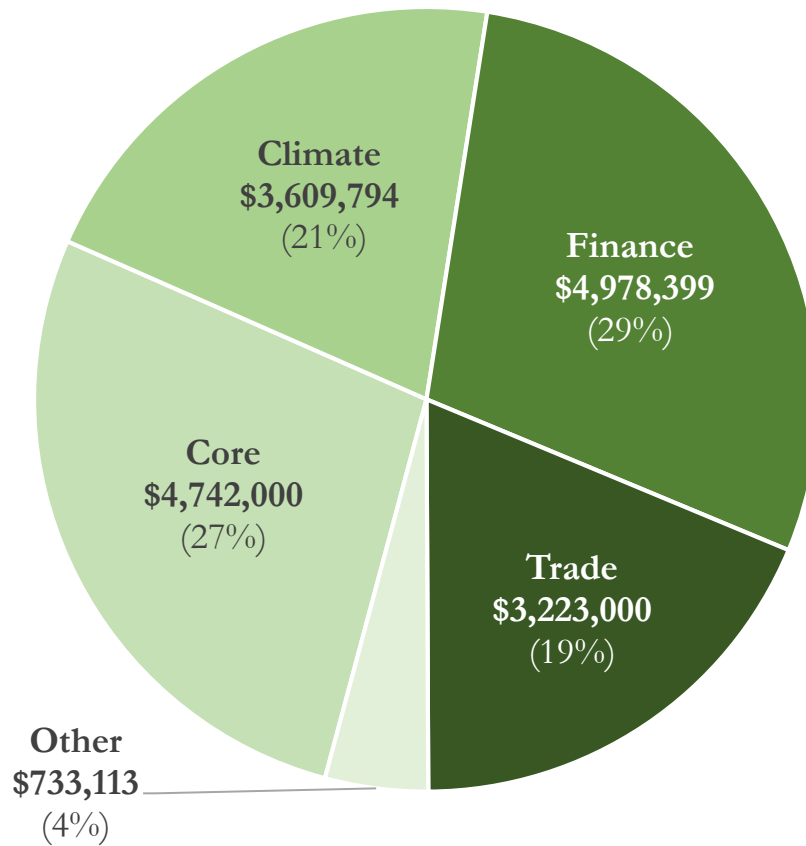


Table 2 shows the allocation of resources between 2010 and 2015 in the substantive areas.

**Table 2: DP-GG Budget by Area, 2010–2015**

AREA	Awarded	% \$ Awarded	No. of Grants	% No. of Grants
Core (Climate, Finance, Trade)	\$4,742,000	27%	22	10%
Climate	\$3,609,794	21%	58	27%
Finance	\$4,978,399	29%	60	28%
Trade	\$3,223,000	19%	32	15%
Other	\$733,113	4%	41	20%
<b>TOTAL</b>	<b>\$17,286,305</b>	<b>100%</b>	<b>213</b>	<b>100%</b>

**Democratic Practice–Global Governance**  
Grantmaking Dollars by Area  
2010–2015



## IV. Impact and Contribution of the Fund's Grantmaking

This section addresses what impact the strategies pursued in the three substantive areas have had, particularly with respect to their overarching portfolio goal of “strengthening the vitality of democracy in Global Governance.” This section features a review of key grantees’ work and their contributions to the field and is based primarily on interviews with grantee organizations, experts, and donors active in these areas. Utilizing RBF’s existing indicators of impact, we looked for changes in understanding, behavior, capacity, public engagement, and, when possible, positive changes in public policy.

**In this narrative, we have grouped our findings on the evidence of progress for each strategy in the three issue areas: a) trade, b) climate change, and c) development finance. With respect to work at the intersection of finance and climate change, we take a closer look at coal and fossil fuel subsidies, a special initiative that commanded significant funding during the review period.**

### Strategy 1. Enhancing Transparency and Accountability

*Enhance transparency and accountability of global governance institutions and decision-making processes.*

For democracy to thrive, people need information on issues that impact them and the ability to hold accountable those responsible for decision-making processes. This strategy focused on increasing democratic vitality by promoting greater understanding of how the substantive policies and processes decided at the global level create local problems, as well as the entry points for changing them. Transparency is a key ingredient to try to level the playing field in public discourse. Without transparency, it is virtually impossible to hold people accountable for their actions. Civil society works both with and in opposition to governments by cooperating with them when appropriate and seeking ways to hold them accountable when needed.

Over the course of six years, this strategy has awarded \$7.42 million in funding for a total of 52 grants to 28 organizations or individuals. Two core organizations—**South Centre** and **Third World Network**—received 40 percent of the funding. They exemplify a central tenet of the DP-GG portfolio: the value of elevating southern voices to present alternative perspectives and positions to counter powerful U.S. and European interests. These two organizations, along with another six, received approximately 81 percent of the overall allocation for this strategy. Some of the smaller grants went to organizations that achieved a disproportionate impact to the level of investment, including: **ürgewald** received \$110,000 over four years and **Public Citizen** \$65,000 over two years (the latter received more significant funding under Strategy 2. Access and Participation).

The dominant areas of focus for this strategy have been in the Finance and Trade arena, not surprising since both of these realms are particularly opaque in terms of how decisions are made and who makes them. Of the 28 grantees awarded funding under this strategy, seven have worked principally on Finance, six principally on Climate, and nine principally on Trade. Moreover, another six grantees categorized as Core have helped provide the intellectual and strategic foundation needed for pursuing transparency and accountability.

## a. Trade

Fundamentally, transparency and accountability in trade negotiations is in the dark ages compared with other issues such as climate. As such, achieving policy changes in transparency and accountability for Trade is particularly difficult and, as a result, gauging impact for this set of grants was especially challenging. The entrenched systemic challenges—how trade agreements are negotiated, who is in the room, and whether documents are made available for review—will require a sustained investment to really begin to move the needle to more open and accountable trade deliberations. Moreover, as Vincent Yu of the **South Centre** states, there is “constant regeneration of constituencies” as developing country negotiators leave their posts; building capacity even among government negotiators requires a steady investment. Developing country negotiators frequently have double or triple the workload of their counterparts in the United States, the EU, and other developed countries. Many are responsible for multiple areas of work as opposed to specialists in countries that have the resources to invest in such personnel. Two regional trade agreements have been the focus of attention of advocates and, increasingly, the public: the Trans-Pacific Partnership (TPP) and Transatlantic Investment Partnership (T-TIP).

Through baseline work on the trade agreements and their potential impacts, grantees were able to provide a consistent, reliable, and grounded flow of information on trade and investment negotiations at global and regional levels and, in various instances, shift the terms of public debate. Producing clear information on the sheer complexity of concepts and language used in trade agreements required significant investment and compelled the DP-GG team to make critical grants to the Core organizations. Nearly 64 percent of the funding went to four organizations. These four—**South Centre**, **Third World Network (TWN)**, the **Center for Economic and Policy Research (CEPR)**, and **Tuft’s Global Development and Environmental Institute (GDAE)**—are a powerful intellectual force, and it is their contributions that have helped illuminate otherwise unseen or unintelligible processes. The RBF’s investment in such centers of excellence has allowed these organizations to provide timely information for public use and well-regarded analyses of existing trade proposals, some which have received significant media attention.

Notably, **South Centre** provides consistent reporting, analysis, and strategic convening in Geneva for developing country WTO negotiators, while a cluster of grantees including the **Corporate European Observatory** in Brussels, **Public Citizen** in the United States, and **TWN** in South Asia provides similar services. A broad array of CSOs and developing country negotiators unquestionably relies on the caliber and provision of this information.

In January 2014, **GDAE**, using a model created by the U.N. Conference on Trade and Development (UNCTAD), produced analyses showing that T-TIP would produce negative job growth in the EU, exacerbate regional economic imbalances, and deepen wage inequality. **GDAE**’s report was translated into nine languages, and workshops were held for policymakers, civil society, and the media. This widely cited study helped create a science-based public debate on the economic merits of T-TIP in the EU, where previously none had existed. Tim Wise, director of research for **GDAE**, specifically attributed the seed money provided by RBF as key in enabling them to both carry out the study and be more effective and strategic about communicating its findings. When the second **GDAE** study was released on TPP with similar findings, it was launched at the National Press Club



in February 2016 with Jared Bernstein, former chief economist to Vice President Biden, and received major press attention in publications such as *Forbes*, *Politico*, *The Wall Street Journal*, and others.<sup>5</sup>

Drawing from the work of grantees **GDAE**, **Public Citizen**, and **Boston University**, another Fund grantee, the **Economic Policy Institute (EPI)**, curated and commissioned a series of papers on the U.S. experience with free trade agreements that was directed to a European audience as they took up the work of pursuing transparency around T-TIP and an analysis of the proposals.

**Public Citizen's Global Trade Watch (GTW)** has been a leader on how both the structure of the USTR and Fast Track authority impede transparency and accountability. With other partners, **GTW** has diligently pressed the USTR and others for access to materials that would allow for public scrutiny, launching Freedom of Information Act requests (FOIAs) and providing meticulously researched records of how trade agreements impact growth, jobs, and other areas of citizen interest. In particular, **GTW** has provided the public with clear, accessible information on how private arbitrators are using free trade agreements to override democratic governance through investor-state dispute settlement (ISDS) processes. Finally, **GTW's** efforts have been critical in both slowing renewal of Fast Track authority, and producing viable alternatives for how trade legislation can be democratically pursued in the United States, an investment that will hopefully bear fruit with the right reform opportunity.

Democratizing trade negotiation processes is particularly intractable, and structural obstacles to transparency persist. Although reading rooms have been established in the EU as a result of civil society pressure (many of them supported by the Fund), they remain quite restrictive. In the United States, members of Congress are required to obtain special permission and a national security clearance to even view official negotiating documents. Fast Track procedures continue to undercut public deliberation. Yet grantees have also contributed to an unprecedented upsurge in attention to trade negotiations and access to negotiating documents, thanks in large measure to WikiLeaks documents and a robust network of CSO partners ready and able to analyze and communicate information when it is made available. This has allowed RBF grantees to advance public understanding of trade negotiations and the ability to substantively engage, even as the negotiations themselves remain largely opaque. On balance, this underscores how substantive engagement holds the potential to, and can fall short of, securing systemic change. At the time of this writing, grantees in the EU, United States, and Asia have an unprecedented opportunity to propose changes in global rules on trade and investment.

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<sup>55</sup> Though outside the assessment period, when the U.S. International Trade Commission published its study of the TPP in 2016, it essentially ratified GDAE's conclusions with regard to TPP's statistically insignificant contribution to growth and job creations.

## b. Climate Change

### UNFCCC

United Nations Framework Convention on Climate Change (UNFCCC) negotiations are more open than trade negotiations, though they remain exceedingly complex and frequently difficult to decipher, leaving poorly resourced developing country negotiators and CSOs at a disadvantage. Through the RBF's investment in Core organizations, most notably **Third World Network (TWN)**, negotiators and CSOs were provided with day-by-day coverage of negotiations, summaries of issues, and a compendia of negotiating rounds, communicated through published daily briefings as well as email/listservs. This work is complemented by robust analysis from the **South Centre** to support G-77 governments.

### Funding GCF Observers

The emergence of the Green Climate Fund (CGF) as a stand-alone institution is, in our view, one of the most significant developments during the time covered by this assessment. The GCF was established to provide

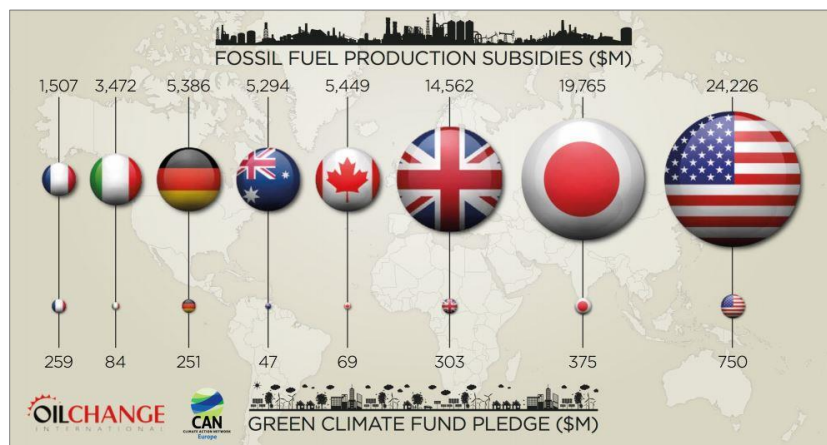
global public funding for developing countries to cope with climate change. At its inception in 2010, pledges were minimal, and it was widely criticized for its lack of accountability and transparency. Yet a funded and functional GCF continues to be seen as vital for the future of the UNFCCC process. Grantees **TWN** and **ActionAid** have played an especially critical role in enabling CSOs to have direct contact with GCF.

*“One clear victory for civil society is the board’s decision to allow webcasting of its meetings, which we have been pushing for since the first GCF board meeting in 2012.”*

*—RBF grantee Lidy Nacpil,  
Jubilee South Asia Pacific Movement, Inc.*

### Fossil Fuel Subsidies

RBF support to **Oil Change International’s (OCI)** work on providing information on fossil fuels subsidies is significant. This work bridges the areas of Climate and Finance. Currently, the same rich-country governments that make public commitments to curtail greenhouse gases emissions and provide financial support to the GCF are often providing orders of magnitude more resources in public subsidies for fossil fuel development and private company profitability. OCI has been a global leader in signaling this glaring contradiction (see graphic).



*The OCI infographic contrasts countries' fossil fuel subsidies (top bubble) to their pledges to the Green Climate Fund (bottom bubble)*

The unfulfilled promises of the G20 in late 2009 to limit fossil fuel subsidies led to increased funder interest, catalyzed in no small part by the RBF. Although much remains to be done to eliminate fossil fuel subsidies, **OCI** has made significant steps in addressing fossil fuel subsidies at a global level.

### c. Finance

Through support from both the DP-GG and Sustainable Development programs, grantee WRI has helped the global community look beyond traditional development finance in an increasingly multipolar world. The rise of emerging economy-dominated financial institutions, such as the Asian Infrastructure Investment Bank (AIIB), the New Development Bank (NDB or “BRICS Bank”), China’s Export-Import Bank (“China Ex-Im”), and Brazil’s Development Bank (BNDES), is especially significant. There was particular concern that new institutions would not backslide on transparency and accountability mechanisms, hard won over the years in the Bretton Woods Institutions. In 2015, a small set of European donor countries required the AIIB to develop a safeguard policy in order to establish the institution.<sup>6</sup> WRI was one of the only NGOs to engage on this, publishing analytical pieces that provided high-quality and relevant analysis promoting transparency, accountability, and overall good governance. WRI’s Athena Ballesteros can confidently state that institutions like the AIIB have “absorbed the backbone of this analysis,” up to the level of the governing board. Elements of these policies that the AIIB has adopted support Strategy 2 (access and participation), which is not always the most popular approach with some of the governments the AIIB intends to finance. Another AIIB policy supports the establishment of a grievance mechanism, which has historically been important for global governance accountability because it systematizes the ability of non-state civil society actors to access high levels of decision makers within the global institution.

Work by the **Global Policy Forum (GPF)** helped open up United Nations budgeting for scrutiny in *Fit for Whose Purpose*. This brief offers a compelling analysis of the funding trends which are “... [drawing] ... the UN further from democratic governance,”<sup>7</sup> including a clear shift to earmarked or project funding; increasingly unstable funding; the proliferation of “trust funds”; and a general lack of transparency, disclosure, and accountability of non-state actors including foundations, associations, and the private sector. As an illustration of the outsize influence of some of these donors, the Gates Foundation has provided more than \$2 billion in funding over the past 15 years to the World Health Organization (WHO), and its earmarked contributions influence WHO priorities; the U.N. Foundation actively pursues partnerships with multinational companies including Exxon-Mobil, Shell, and Goldman Sachs; and the United Nations has cultivated its own relationships with more than 100 major corporations. The United Nations’ pursuit of

*“[GPF’s briefing, Fit for Whose Purpose, is] ... a most timely study that ought to concern all those who believe in the United Nations as a global public good. As an inter-governmental organization, the UN needs to preserve its own independence—financial as well as political. UN relations with the corporate sector deserve to be scrutinized and made more transparent so that important public functions do not risk becoming comprised by private interests. Many parliamentarians are unaware of the deterioration of UN funding highlighted in this well-researched report. I hope it will catch their attention.”*

*—Alessandro Motter, senior advisor,  
Inter-Parliamentary Union*

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<sup>6</sup> A safeguard policy is an institutional mechanism to protect against negative social, environmental, or governance impacts in institutional operations.

<sup>7</sup> *Fit for Whose Purpose*, p. 111–117

partnerships with multinational companies, including fossil fuel majors and leading global financial institutions, has led to well-known “pay to play” problems, and GPF’s study helped catalyze the public conversation. GPF holds that RBF support has contributed to “changing both the narrative and the content” of debate on the role of trust funds and partnerships with the United Nations. The U.N. General Assembly recently passed a nonbinding resolution calling for improved criteria for U.N. partnerships, which drew directly from recommendations in GPF’s report.<sup>8</sup>



*Aerial photo of a mountaintop mine in West Virginia by Paul Corbit Brown, which helped persuade bank shareholders to rein in that process.*

### **ürgewald: A David and Goliath Story**

RBF grantee Heffa Schücking’s work at **ürgewald** is a remarkable case of pluck and perseverance. As described below, RBF grantees revealed the level and impact of Norway’s coal investments, which led to the finance committee of the Norwegian Parliament to set clear standards for fossil-free investments, becoming a global reference point for other banks and financial institutions. This is an excellent example of the synergy between Strategies 1 and 2: the initial focus was to make transparent previously suppressed data followed by efforts to stimulate political engagement.

**ürgewald** undertook an analysis of the Norwegian Government Pension Fund Global – commonly referred to as the Oil Fund - investments in some 8,000 coal-related companies, exposing for the first time how it was invested in companies comprising 45 percent of the world’s coal production. The RBF provided the funds that turned this analysis into a report in 2014, *Dirty and Dangerous*, which was a media success, drawing attention through morning talk shows, two pages of Norway’s largest newspaper, a TV channel dedicated to parliamentary debate in which parliamentarians were pointedly asked how they were planning to react. Managers of the Oil Fund initially dumped investments in various coal producing companies and companies supporting mountaintop mining, as Parliament was called on to pursue deeper scrutiny of the Oil Fund’s management.

Photographer and activist Paul Corbit Brown received travel support from RBF grantee the **Institute of International Education**, to attend 10 bank shareholder meetings in Europe where he presented powerful photographs of mountaintop removal of coal in the Appalachian Mountains. Over the course of just two minutes in a meeting with Paribas, Brown showed his images; the next month, they issued guidelines to exclude mountaintop mining. Many banks followed suit—Barclays, Royal Bank of Scotland, ING, Italy’s UniCredit, and others.

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<sup>8</sup> The G-77 negotiator on this resolution said she used this book as the benchmark and used it as a roadmap for her position.

SCIENCE

## Norway Will Divest From Coal in Push Against Climate Change

By JOHN SCHWARTZ JUNE 5, 2015

Norway's \$890 billion government pension fund, considered the largest sovereign wealth fund in the world, will sell off many of its investments related to coal, making it the biggest institution yet to join a growing international movement to abandon at least some fossil fuel stocks.

Parliament voted Friday to order the fund to shift its holdings out of billions of dollars of stock in companies whose businesses rely at least 30 percent on coal. A committee vote last week made Friday's decision all but a formality; it will take effect next year.

With additional Fund support, **ürgewald** pioneered an investment screening methodology that has become a global standard-setter, calculating which businesses have more than 30 percent interests in mining, trading, producers, and utilities. The RBF provided additional funds to Norwegian

NGO **Framtiden** to help generate public pressure to ensure adoption of the investment criteria. Together, **ürgewald** and **Framtiden** organized an "Affected Peoples' Tour," bringing representatives from coal-impacted communities in South Africa, China, Colombia, and the United States to Oslo to provide testimony and speak publicly.

Within just months, all agreed to adopt the proposed guidelines and exclude public coal investments and mountaintop mining for ethical and climate reasons. Various investment giants like Allianz shortly followed suit. Finally, in April 2016, Oil Fund criteria were tightened to fully exclude 52 companies for being too reliant on coal in one of the largest-ever fossil fuel-related divestments by a single investor.

### d. Summary of Impact

Without adequate information, citizens are unable to hold their officials and institutions accountable, and RBF grantees presented meticulously executed research on key aspects of trade, climate justice, and fossil fuel investments to expose anachronistic economic and political systems and inadequate social and environmental protection. There have been some discrete policy wins on specific substantive campaigns, but it remains premature to ascertain whether and how this could translate to lasting governance gains. Certainly one question worth asking is whether or not certain global governance institutions need to be reinvented or at least modified to reflect a different world than the one in which they were originated. Yet even as elusive as this progress seems in advancing the intended strategy, we can confidently say that the achievements under this strategy do advance components of both the programmatic goal and also the RBF's overarching mission.

In reviewing the indicators set out by the RBF team, we have the following observations (indicators are in italics):

- It will require a great deal more investment and more actors to build the pressure needed to make the *content and process of trade and investment treaty negotiations publicly available* in a timely manner. Fund grantees did excellent exposés prompted in large part by the rigorously researched work of **Public Citizen** along with empirically grounded pieces on the impacts of T-TIP in the EU by grantees, including the **Environment, Economics and Society Institute**, and on broader impacts of trade issues that challenge democratic global

governance from the **Forum on Democracy and Trade**. Now that negotiations have concluded and following a series of leaks, all TPP texts are publicly available. As of this writing, the T-TIP text, on the other hand, remains largely hidden from public view. Although there has been a groundswell of awareness and pressure for transparency in trade agreements, considerably more effort is required for enduring success.

- RBF funds under this strategy categorically contributed to ensuring that *economic, equity, and environmental impacts of country positions at the UNFCCC are assessed, available, and understandable to negotiators and constituencies*. This was unquestionably an area of meaningful impact through the work of key grantees such as **TWN** and the **South Centre**. Their work was further strengthened by the rigorous analysis produced by a steering group of equity-minded scientists at the **Stockholm Environment Institute** who then communicated their findings to negotiators. Further, **Jubilee South Asia Pacific Movement** was well placed to understand and analyze UNFCCC documents from a climate justice lens and then communicate their perspectives to their global south peers.
- Through some key grantees, such as the **Institute for Governance and Sustainable Development (IGSD)**, **ürgewald**, and **Profundo**, *climate impacts of global financial institutions' operations—the World Bank and key private banks—for coal investments are more public and better understood*. For example, **Profundo's** baseline analysis of the global coal sector trends and **ürgewald's** extraordinarily thorough analysis of 8,000 companies whose businesses “touch” coal, whether mining, energy or otherwise, have emboldened politicians, such as Norway's Parliament, to pursue more aggressive policies against fossil fuel investments.
- RBF grantees are beginning to gain traction in ensuring that *the public better understands global subsidies for fossil fuels through international financial institutions, development assistance, and key national subsidies*. Some organizations such as **OCI** and **ürgewald** are expert in churning out well-researched and highly regarded analyses that they then effectively turn around and communicate to the general public. “Days of action” and other movement-building tactics are also part of their suite of strategies.
- Headway is being made against this indicator—that *public and private financial institutions' decision making increasingly reflects an accurate climate risk profile of fossil fuels*—through the work of the **Institute for Energy Economics and Financial Analysis (IEEFA)** and correlated efforts covered under Strategy 2. An iconic narrative has developed around efforts to challenge the development of coal-based energy production in Kosovo (see below), while other grantees such as **OCI** have pressed for transparency and accountability through analytical work. Nonetheless, even with broader recognition of the problem, the shift to change behavior and policy still lags behind.

In sum, there has clearly been significant progress based on the identified indicators for the trade component of the RBF's transparency and accountability strategy, and these indicators point to a strengthening of the vitality of democracy by elevating public debates on key trade issues. At the same time, it is far more difficult to point to how these advances yield improvements in the transparency and accountability of global governance institutions.

## Strategy 2. Expanding Access and Participation

*Expand access to and participation in global governance institutions and decision-making processes. Priority is given to initiatives led by or in support of constituencies underrepresented in global governance.*

Although this strategy seeks to improve institutional processes as a democratic end, in practice, RBF support under this strategy largely employed access and participation as a means to achieve substantive gains in the three priority issue areas, Trade, Climate, and Finance. Between 2010 and 2015, the RBF invested \$7,360,000 in Strategy 2. As noted above, whereas the amount is equivalent to Strategy 1 at 43 percent of total expenditure, the number of grants was noticeably higher than any other area. In all, 80 grants were awarded to 35 organizations. Strategy 2 activities tend to be more advocacy focused and this approach usually demands greater agility and responsiveness, hence the number of smaller grants

Under this strategy, considerably more funds were dedicated to Climate and Finance (in particular pursuing policies to constrain finance for new coal projects), followed by Trade. This was an area in which staff co-funded and coordinated efforts significantly with other funders. A central focus of Strategy 2 has been to support developing countries and underrepresented constituencies to substantively engage in global policymaking debates to both defend priorities at home (such as poverty reduction and sustainable development) and contribute to effective coordination globally. This strategy supports the inclusion of ideas that have been excluded from high-level debates and of voices that have been marginalized during the conversation. We have listed impacts in each of these areas based on all grantees coded in Strategy 2, including both where access and participation were employed, either as a means to achieve gains in the substantive areas or an end to advance governance itself. As with Strategy 1, we group our findings by issue area because the substantive outcomes appear most significant:

### **a. Trade**

The rules governing economic integration in the global economy (“trade”) provide an important entry point for engaging with a key set of institutions, stakeholders, and negotiation processes.

Grantmaking has prioritized fleshing out critical issues that citizens understand and are motivated to engage on, and then building the political demand for substantive changes at the global policy level.

Fund engagement and staff leadership are credited with keeping the issue and key partners active and able to engage following the failed 1999 Seattle World Trade Organization (WTO) Ministerial, when donor interest waned. According to several grantees, the Fund has since been successful in bringing new funders and civil society groups into the area of work during the assessment period.

As negotiations stalemated in the WTO, and the epicenter of trade negotiations shifted to the “mega-regional” agreements like TPP, T-TIP, and the Trade in Services Agreement (TiSA), staff de-emphasized work directly on WTO (with one important exception, **Polaris USA**, as described below). Fund support for work on the rules of economic integration included stand-alone initiatives, but more often strategically aligned and coordinated efforts with other funders. This is true both for the work on the TPP, where staff have been successful in attracting significant new funding for work on trade, and in coordinating funding efforts with European funders to support public scrutiny and engagement on the T-TIP.

Grants from the RBF supported targeted analysis on key substantive trade provisions and enabled dissemination of those findings to civil society networks. Those networks in turn drew attention to controversial provisions and, at the same time, identified leverage points, designed methods and mechanisms for exercising influence, and proposed alternatives for both the substance and rulemaking process. Some highlights follow:

- The RBF’s support to **Demos, Boston University’s Global Economic Governance Initiative (GEGI), GDAE, EPI**, and others helped establish critical economic analysis that has strengthened activist engagement around the various regional trade agreements currently being negotiated. Support to **TWN, TWN-Ghana, the Transnational Institute (TNI)**, and **South Centre** have provided similar support to groups in Asia, Africa, and Latin America.
- Fund support to **Public Citizen and Polaris Institute USA - for its Our World is Not for Sale project (OWINFS)** - among others have created and sustained robust global networking, information sharing, and actions around key issues at the WTO, TPP, and T-TIP—engaging organizations of small farmers, labor unions, consumer groups, rights groups, small and medium enterprise owners, and others. **OWINFS** helped mobilize pressure to help secure a “peace clause” (measure that allows poor countries to buy and stock grains for food security even if procurement breaches WTO limits on subsidies) at the WTO to protect small farmers, and supported Uruguay’s withdrawal from TiSA negotiations over the forced deregulation of public services. Funding partners contributed to the independent European Citizens Initiative, which gathered an unprecedented 3.2 million signatures calling for a suspension of T-TIP negotiations. Grantee **TNI** helped obtain the first public audit of existing investment agreements with both CSOs and the government of Ecuador, a vital early step towards treaty reform.
- Fund support to the Online Progressive Engagement Network (**OPEN**), a project of **Citizens Engagement Lab (CEL)**, spawned new online/offline platforms in eight countries, using work on trade as a way to catalyze citizen engagement and provide networks with a broader base and enhanced public presence. Similarly, support to **Corporate European Observatory (CEO)** and the digital-native driven **SumOfUs.org** (a project of **Tides Foundation**), brought needed attention to corporate influence and capture of the negotiation processes.



- RBF grantees **Public Citizen** and the **Sierra Club** successfully contributed to efforts to delay the Trade Promotion Authority bill (Fast Track authority) for three years, giving elected representatives and CSOs opportunities to highlight the risks of trade bills as proposed, the un-democratic nature of Fast Track itself, and viable alternatives to Fast Track. They were also effective in demanding opportunities for public scrutiny and successfully delaying TPP negotiations



beyond the Obama administration's original target completion date in 2012. The TPP has now entered into the current presidential election cycle, further increasing public debates. A more reasoned and mainstream body of opinion is increasingly calling for a serious revision of how economic integration is done. Grantees **Public Citizen, Sierra Club, Roosevelt Institute**, and others are driving and informing those debates.

In sum, Fund support for grantees engaging on Trade from 2010 to 2015 helped expand and deepen engagement in trade debates, from players as diverse as Democratic members of Congress to the conservative Cato Institute; from street protests in the EU to multistakeholder processes in Uruguay and Ecuador. Grantees generally used participation as a means to a substantive end by focusing their energies through established channels to publicly challenge certain provisions of specific agreements, thereby increasing the vitality of democracy. The tipping point that would allow systemic changes in the substance and processes of writing the rules of economic integrations has not been reached, but grantees are poised to both open further opportunities and seize them as they appear.

## **b. Climate**

The RBF intended its support on Climate to increase the effectiveness of underrepresented groups and to provide equity perspectives within the UNFCCC. In this area, we find several key impacts, including elevating southern voices in climate negotiations, building connective tissue between climate justice and labor constituencies, and deepening CSO efforts for greater equity and justice in the climate accords. We also found significant impact in the creation of the Green Climate Fund, and discuss that in a separate section due to its intersection with Finance.

- Pursuit of climate justice has been a prominent focus of this strategy, with a total of **\$3.21 million** going to 39 RBF grantees working on climate justice between 2010 and 2015. The RBF's strategy supporting calls for a more acute focus on climate justice employed a combination of approaches, both top-down (supporting a former head of state to influence elites) and bottom-up (supporting a broad array of social justice oriented CSOs). Support also worked outside the global governance system, helping to shape civil society discourse on climate justice and equity, and inside the system, helping negotiators and parties to the UNFCCC understand the concrete distributional and equity implications/fairness of the proposed accord. Shortly after the 2011 UNFCCC Conference of Parties in Durban, the RBF funded a baseline study on what Mary Robinson, former president of Ireland, termed a "non-fashionable issue: climate justice." Robinson, through her foundation the **Mary Robinson Foundation—Climate Justice**, then spearheaded three meetings at Pocantico in July 2011, March 2012, and July 2013. She invited former heads and ministers of state, a Vatican representative, and, serendipitously, Patricia Espinosa, a Mexican government official who is now executive secretary of the UNFCCC. By the time of the Paris negotiations in December 2015, Robinson observed that nearly every country on the planet was able to agree to the landmark outcome "because there is a basic injustice to climate change." She recounted the emotion viscerally felt in Paris, that "everyone felt a part of it, it felt fair."

RBF support, including early support from the Sustainable Development program, built vital connective tissue between labor and climate organizations. Although modest, the RBF's investment was important. As one illustration, Professor Sean Sweeney (formerly of the **Cornell Global Labor Institute** and currently at **CUNY's Murphy Institute on Labor, Climate, and Environment**) credits RBF support to grantees and funding of a critical Pocantico meeting with helping align a critical mass of union interests in opposing the Keystone XL pipeline. This effort marked a striking departure from labor's earlier alliances

with the American Petroleum Institute following failed climate negotiations in Copenhagen. Sweeney observed that small but sustained support from the RBF allowed pro-climate labor interests to become a stronger political presence such that by the Paris climate conference, new union alliances were forged with large environmental groups.

- Fund grantmaking also contributed to building other critical components of the climate justice movement by helping to unify disparate civil society organizations into a cohesive effort. Multiple grantees have credited the RBF with building critical bridges between these civil society constituencies to bring about greater engagement in climate justice from larger environmental groups.
  - Notably, RBF support enabled **Eco-Equity** to contribute to consolidation of a working group within the **Climate Action Network (CAN)** focused on equity, which has been cited as an important success in advancing the dialogue to bridge north-south perspectives on the subject.
- RBF support also enabled Institute on Governance and Sustainable Development (IGSD) to help African officials advance the African Renewable Energy Initiative, cited by the Wall Street Journal as one of the biggest outcomes of Paris—a \$10 billion pledge to African governments associated with 300 GW of new capacity.

It is clear that RBF support improved the effectiveness of a small number of already-engaged NGOs to galvanize government negotiators' support for policies more aligned with climate justice and contribute to growth in awareness of these policies both within and outside of the UNFCCC.

However, it remains to be seen whether and how RBF grantees can meaningfully improve the ability of new southern groups and marginalized voices to access and participate in climate negotiations.

### c. Finance

Program grantmaking in this strategy approached the Finance area through a “climate finance” lens, with two primary areas of engagement: operationalizing the Green Climate Fund and encouraging civil society participation to help stop the international public financing of climate-destructive investments such as new coal plants. The RBF’s approach to Finance was to encourage civil society actors to directly engage with institutions, stakeholders, and project and policy processes.

With regard to the GCF, RBF support under this strategy enabled a handful of NGO experts to engage directly with governments in decision-making processes, as follows:

- From 2010 through 2015, a number of RBF grantees, such as **TWN**, **ActionAid** (U.K./U.S.), and **World Resources Institute (WRI)**, worked alongside governments to help develop the policies and procedures to launch the GCF with a governance model that breaks from World Bank-type voting (weighted in favor of donors) and gives poorer countries a more equal voice in decision making. The GCF was piloting a new model for lending based on direct access (that is, more streamlined disbursements) but that also included safeguards, an accountability mechanism, and a gender policy. RBF grantee **WRI** points to specific institutional design policies adopted from more than a dozen papers written with RBF support, such as giving nongovernment stakeholders a seat at the decision-making table, which they credibly believe influenced the design of the GCF from a governance perspective.
- With an active observer seat at the table, grantees directly credit RBF support with helping them to participate in GCF deliberations, including convening meetings with developing

country board members and offering timely and informed input on financial instrument options, social and environmental policies, and other key decisions.

- Status as an active civil society observer enabled an RBF grantee to take a position in support of social and environmental safeguards. This shift in position by the NGO observer signaled a significant and important departure from their historical alignment with less-than-progressive government perspectives. They fell more in line with civil society interests that supported community participation in decision making.
- CSO participation as active observers allowed for increased debates on the risks of private market actors in public development finance.

Similar to the approaches in Trade and Climate described above, the RBF supported citizen participation as a means to challenge public financing of coal plants. RBF staff explained their choice to engage in coal finance work under this strategy: “As the concrete concerns that motivate engagement are addressed (e.g., stopping global incentives for dirty energy projects; the social impacts of trade rules; the global finance rules that constrain public policy), the constructive participation that deepens democracy in global governance is advanced.”<sup>9</sup> The RBF utilized its internal synergies to tap an opportunity to address World Bank coal finance in one key place, namely the Western Balkans (as described in the text box).

Complementing the World Bank campaign on Kosovo have been dynamic efforts to build an international movement to stop coal financing and to press for policy changes in international financial institutions, both public and private. .

One of the RBF’s most significant impacts was aligning with other funders to help build an international movement around reducing public funding of coal and its associated infrastructure. We

### **Cross-Programmatic Initiative: DP-GG and Western Balkans Put Pressure the World Bank to Stop Funding Coal Projects**

From 2010–2015, \$1,076,984 of DP-GG funds went to a handful of organizations in Kosovo and the United States help get the World Bank to stop funding international coal projects. The bulk of this funding worked in tandem with the RBF’s Western Balkans program to use a coal plant fight in Kosovo as an iconic global narrative around alternative energy development pathways. This brought together two RBF strengths: deep expertise in both a pivotal place and in key institutions of global governance—a combination of bottom-up and top-down approaches. Upon discovering that World Bank was the lynchpin for financing a regressive and environmentally destructive new coal plant, RBF support enabled established Kosovar CSOs to engage with the Bank, bolstered by additional support from academics, global CSOs, analysts, and a robust global coal network.

This cross-programmatic initiative connected northern groups working on international financial institutional policies with in-country civil society organizations such as KOSID (discussed at length in the Western Balkans evaluation earlier this year)., Groups like the **Sierra Club** and **IEEFA** successfully elevated voices in Kosovo to call for changes in World Bank energy policy to halt public finance of coal plants. Grants helped provide expertise in identifying viable energy scenarios that do not require coal; providing top global experts on displacement, public health and environmental assessment; and direct engagement the World Bank, the U.S. State Department and National Security Council. In turn, collaboration with KOSID on the Kosovo Power Plant a key area of work to reform World Bank energy policies.

<sup>9</sup> 2011 Program memorandum

have found examples of RBF support leading to increased capacity in groups to engage in more sustainable energy development pathways and to some policy reform advances in key institutions. The 2014 Banktrack report, *Banking on Coal*, cofunded by the RBF and the Growald Family Fund, provided a broad understanding of the public and private finance of coal, and worked with national groups so they could draw the global-local connections and identify sources of finance. The Fund provided support to **CEE Bankwatch**, **Friends of the Earth** (U.S.), **Sierra Club**, and **WRI** for work on the IFIs which has contributed to a significant list of IFIs and ECAs (Export Credit Agencies) adopting coal screens consistent with US Treasury guidelines. By 2014, the US and OECD countries overall had agreed to curtail financing for coal-fired power plants, dropping IFI funding for coal-fired power plants from \$12.2 billion in 2011 to \$1.5 billion in 2014 (NRDC data).

#### d. Summary of Impact

This strategy presents a bit of a challenge in that classical “governance” views on access and participation might tend to prioritize institutional or systemic changes related to *processes*; that is, whether and how information is accessed and also how decisions are made—including who is able to sit at the table. If we apply these classic terms, we find relatively limited impact. Whereas the RBF’s intent was to use substantive areas to improve democratic practice and global governance at an institutional level, in practice, this portfolio used the process of public participation and the existence of global institutions *as a means to an end* for addressing *substantive problems*, namely working to eliminate or change specific provisions in trade agreements, increase the focus on equity in climate debates, and stop international public finance of new coal plants. As such, in most cases, the impact is far more significant in terms of the substantive outcomes (e.g., global defunding of new coal plants) and robustness of debates (e.g., vitality of democracy) than in advancing the procedural goals of access and participation described in the strategy itself.

The following shows advancement of the RBF’s identified indicators of progress under this strategy (identified in italics):

- *Growing civil society capacity to engage trade negotiation and reform processes has led to more balance in Trans-Pacific Partnership and World Trade Organization treaties, and TPP and bilateral investment treaties reflect greater balance between public and private interests.* TPP and WTO negotiations have functionally stalemated, and RBF-supported grantees appeared to meaningfully slow TPP negotiations. The USTR wanted them done in 2012; they were finished in early 2016. The RBF’s objective was to slow the process to allow for broad public attention and scrutiny; stop TPP from locking in substantive policies that posed threats to democracy, livelihoods, and the environment; and open a space for proposing alternatives.
- *Engagement by underrepresented groups from the global south and observers secure fairer and more effective agreements under the UNFCCC regarding cost-sharing of measures to address the climate crisis.* RBF support enabled a small group of experts to advance aspirational language on climate justice in the Paris Agreement and helped operationalize the Green Climate Fund.
- *Civil society groups challenging new fossil fuel infrastructure investments have access to key global decision points, leading to postponement and cancellation of coal projects, and greater incentives for efficiency and renewables.* RBF support helped lead to rollbacks in funding for new coal projects.

Adding up the impacts of Strategy 2, funders and NGOs broadly concur that the RBF's approach has been effective in amplifying southern voices in policy debates. Not just in policy venues but also among funders, RBF staff makes a persuasive case for underrepresented viewpoints—especially from a southern perspective. One challenge this portfolio has encountered is reflective of evolving G-77 politics: The global south is far from monolithic, and the choice to elevate some southern voices invariably excludes some other perspectives.

The principal impacts we found under this strategy include building the capacity of a strategic set of selected grantees to effectively influence negotiations. These grantees advanced an institutional model more equitably weighted between rich and poor countries, expanded civil society participation for a select group of experts, coalesced climate justice NGOs, and bridged justice perspectives between NGOs and government. Recognizing that an informed constituency is the first step in securing change, RBF grantees are clearly making strides and working across different interest groups to forge breakthrough political narratives, such as by supporting labor interests to counter anti-jobs rhetoric seeking to stymie climate action. Across the globe, CSOs and social movements are increasingly flocking to climate issues—thanks in no small part to grantees such as **Jubilee South Asia Pacific Movement**, and **Sustainable Markets Foundation** for its project, **This Changes Everything**. However, that is not necessarily changing governance policies or practices at the level of global institutions, as yet. How or if this will actually shift the needle on democratizing the global institutions under which climate negotiations and implementation operate remains to be seen.

If graded on the success or failure of increasing access and participation in global institutions and decision-making processes, we can primarily point to particular gains of a small number of grantees who effectively promoted specific substantive outcomes in Trade, Finance, and Climate. Beyond the GCF policy gains, it remains to be seen whether and how these successes will lead to any systemic change towards increased access and participation in global institutions and decision making. Multilateral financial institutions have increasingly decentralized their consultation processes, which presents new opportunities for southern voices to provide input, and equalizes some of the historic dominance of Washington, D.C.-based groups. At the same time, this underscores the need to facilitate partnerships and scale up capacity building at a global level to engage with a much more distributed network. Although northern groups have considerable expertise and knowledge, it is now far less strategic to assume northern groups can use Washington, D.C., as a platform to elevate voices of the global south on matters involving global public financial institutions. The RBF is well poised to do so, but the cost for this kind of global network infrastructure exceeds the current scale of DP-GG support.

### Strategy 3. Advancing New Ideas, Advocacy Approaches, and Institutional Arrangements

This final strategy, “innovation,” has sought to seed new ideas and approaches in the all three issue areas and across strategies. It is worth noting that there is innovative work within Strategies 1 and 2. Although the grants in this strategy reflect a relatively small portion of the overall portfolio investment, some have demonstrated outsized impacts. Between 2010 and 2015, this strategy invested \$2,203,133, or 13 percent of the total DP-GG program budget during this period. In all, there were 60 grants awarded to 26 organizations, 18 grants for Pocantico meetings, and four for RBF Direct Activity initiatives, primarily for meetings/conferences and the like. Nine organizations received 75 percent of the funding.

This cluster is distinctive for several reasons: The average grant size is significantly lower (eight grants were on average \$18,000), and even the average grant size of the main grantees, leaving aside the highest outlier, was \$126,000, lower than the other two strategies' average. Yet in spite of this lower level of investment, some of the most exciting work was developed under this strategy.

Similar to the Core grantees under Strategies 1 and 2, new ideas and innovations supported under this strategy cut across the three issue areas. In particular, RBF staff provided support to develop constituencies on global issues through novel online/offline organizing. The digital era has dramatically reduced limitations of traditional geographical political divides such that civil society is increasingly aligning around issues as opposed to geography, even as national governments remain key (and sovereign decision makers on global issues.) RBF grantee the **CEL Education Fund's** project, the **Online Progressive Engagement Network (OPEN)**, uses politically relevant issues as an entry point to build a broader civil society platform for national political engagement, coordinated across countries around global issues. As OPEN describes it, historically, political movements have had to choose between global and local issues, but distributed technology and social infrastructure have enabled the organization to scale and replicate in a more integrated manner and across political boundaries to build customized national solutions to global problems. Working in nearly a dozen countries, OPEN provides critical infrastructure to connect issues—including Trade, Finance, and Climate—and galvanizes civil society across a more cohesive platform. For example, OPEN's national networks in several countries in Europe were instrumental in helping organize the independent European Citizen's Initiative and large, coordinated protests on T-TIP. OPEN is now harnessing those tools to allow citizens from across the EU to have more sustained engagement with EU parliamentarians. This is a pioneering model, and a clear instance of substantive engagement (on Trade) that increases the vitality of democracy in the context of global issues. Additionally, when the organization found a lack of a critical mass for a constituency to engage in Climate issues, they leveraged their existing bases (drawn in by Trade, for example) to galvanize a broader interest in Climate issues.

### a. Trade

The RBF supported grantees working on the process and substance of trade agreements that impacted democracy, livelihoods, and environmental protection. As WTO negotiations stagnated, governments migrated towards creating plurilateral regional trade agreements instead of a single multilateral regime under the WTO. RBF grantees opposed regional trade agreements modeled on the North American Free Trade Agreement (NAFTA) and challenged specific provisions, the most impactful relating to investor-state dispute settlement (ISDS) provisions (see below). Beyond challenging particular environmental and labor clauses in the TTP and T-TIP negotiations, the **Sierra Club, Cornell's Global Labor Institute, Corporate European Observatory EO, and Boston University** have worked in helping strengthen the intersection of policies integrating trade and climate change, which gained traction through the



*Sierra Club Responsible Trade Director Ilana Solomon speaks to a crowd of more than 3,000 people about the climate implications of free trade rules at the 2015 U.N. climate conference in Paris.*

Keystone XL pipeline debates. As Ilana Solomon, who directs the Sierra Club's Trade program, mentioned in a Bill Moyers & Company article, trade deals provide protectionist measures for fossil fuel companies to continue with business as usual, essentially counteracting any gains in climate policy. TransCanada's (the corporation behind the Keystone XL pipeline) legal action against the U.S. government is an example where trade rules are being used to undermine action on climate.

One of the more controversial provisions in nearly every trade agreement currently under negotiation is the ISDS, in which foreign investors can challenge host state regulations through arbitration panels instead of that country's courts. Since there is a lack of transparency in the variety of agreements being negotiated—TPP, T-TIP, and others—there has been limited opportunity for the public and policymakers to address concerns of these ISDS provisions. A number of RBF grantees suggest that the very intent of the ISDS is to limit accountability.

ISDS is already part of NAFTA and, because of this, we currently have a front row seat to see how it works with the TransCanada-Keystone XL pipeline dispute currently underway. In January 2016, TransCanada, the company that tried to build the Keystone XL pipeline, sued the U.S. government for lost profits—they estimate \$15 billion—because of the Obama administration's decision to stop the pipeline's construction. ISDS provisions in NAFTA allow foreign corporations to bring this kind of suit against the United States for damages. South Centre, TWN, and Public Citizen convened two conferences to address how to contest ISDS and explore alternatives for transnational dispute settlements. The meetings assembled legal experts, government officials, and global trade advocates, who developed alternative models and advocacy strategies for the United States, the EU, Asia, and Latin America.

## **b. Climate**

Several grantees used innovative analyses to advance equity concerns and reveal the precarious position of fossil fuel companies in a climate-constrained world. As described above, one of the principal barriers to securing a truly global climate agreement was a perceived lack of fairness among nearly 200 countries with wildly diverse economic, development, and climate needs, often at cross-purposes. Although all countries agreed on the principle of “common but differentiated responsibilities” for climate action, that principle translated to very different perspectives on what a fair agreement looked like. Many countries demanded that wealthy industrialized countries responsible for the climate problem both dramatically reduce their emissions and provide finance for poorer countries' transitions, while wealthy countries pointed out that the global economic order had evolved and several “developing” country members of the G-77 negotiating bloc were some of the world's biggest economies and polluters.

- RBF grantee **Earth Island Institute** (via its project **EcoEquity**) worked to define equity in a way that could forge a more grounded approach to building a fair climate agreement using technical data to overcome entrenched political rhetoric. They very delicately navigated multiple constituencies to bridge perspectives and shape a new position that rethinks development and the way in which we conceptualize international obligations. **EcoEquity's** goal in reframing equity based on resource constraints and inequality in addition to historical responsibility is to “save equity from [becoming] a bargaining chip ... at the climate negotiations” and help countries understand that equity could be the pathway to higher ambition.
- Carbon Tracker (a project of **Investor Watch**) almost didn't get off the ground. This is another tale of the value of an inside-outside strategy, as well as a case of the RBF not being

afraid of funding an unproven concept. The founding trio, Mark Campanele, James Leaton and Nick Robbins, put up some of their own money to launch it. In the first three years, they were only able to raise 3,000 pounds until the Growald Family Fund and RBF support arrived in 2010. Campanele says he “regularly engaged” with and Fund staff, “sometimes daily reassuring [us]that [we] were on to something.” Carbon Tracker’s report, *Unburnable Carbon 2013* was key to starting the conversation in the financial sector about “stranded assets” the term they developed for investments that are devalued as a result of changes in the market or regulatory environment associated with the transition to a low-carbon economy<sup>10</sup>. The report’s intention was to “help investors accurately price fossil fuel risk,” that is, the impact climate change will have on their investments. The report was taken up by key partners, including Naomi Klein (**Sustainable Markets Foundation**) and Bill McKibben of 350.org, the latter writing an article in *The Rolling Stones* called, “Global Warming’s Terrifying New Math.” Klein and McKibben then joined forces and went on a “fossil-free tour” that further catalyzed the movement. Soon thereafter, Martin Wolf, chief economics commentator at *The Financial Times*, wrote about the report numerous times, and the force of his commentary resulted in extensive coverage elsewhere —*Japan Today*, *The New York Times*, *Reuters*. Articles such as “A Climate Fix Would Ruin Investors” and “What Fossil Fuel Power Plants Will Be Left Stranded” convey the tenor of his views. The attention to stranded assets is directly attributable to this set of actions. One of the most globally powerful voices, Mark Carney, governor of the Bank of England, reportedly “[threw] down the gauntlet to the fossil fuel industry with a blunt warning that investors face ‘potentially huge’ losses from climate change action that could make vast reserves of oil, coal and gas ‘literally unburnable.’” He further stated “there was a danger the assets of fossil fuel companies could be left ‘stranded’ by tougher rules to curb climate change.”<sup>11</sup>

### c. Finance

As with the portfolio’s other two strategies, the RBF’s Finance engagement focused almost exclusively on climate-related issues, so it is somewhat difficult to disaggregate the two here. In the area of new ideas, grantmaking included support for efforts to develop quantitative dimensions to climate justice, introduce the concept of stranded assets for fossil fuels, and build a global network to address coal financing. We have described these in Strategy 1 (see discussion of ürgewald) and Strategy 2 (see discussion of the RBF’s Cross-Programmatic Initiative). The creation of an international network for coal finance is particularly notable.

### d. Summary of Impacts

The general goal of Strategy 3 is innovation, accomplished through an amalgamation of grants advancing approaches that attempt to develop new ideas, advocacy approaches, and institutional strategies through both populist and expert efforts that address specific problems in Trade, Climate, and Finance. The following shows movement forward in terms of the RBF’s indicators of progress under this strategy (indicated in italics):

- We find that RBF investments have *increased understanding on the balance between public and private rights and responsibilities for international investment- and environment-related*

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<sup>10</sup> See <http://www.carbontracker.org/resources/> for further detail.

<sup>11</sup> Clark, Pilita. “Mark Carney warns investors face ‘huge’ climate change losses.” *The Financial Times*, 9/29/15.



*decisions* through efforts such as calling attention to issues with investor state dispute settlement systems.

- We also found compelling evidence that *global advocacy networks [shared] innovations and lessons learned*, through Pocantico meetings and collaborations between some civil society groups working on trade and climate issues.
- Funding enabled grantees to experiment with *social media models to strengthen the vitality of democracy in global governance*, through critical startup funding of **OPEN** and its affiliates in a number of countries.
- There was *some improved understanding and innovative solutions for the relationship between human development and the environment* through **EcoEquity's** work to reframe equity considerations within communities instead of only at the macroeconomic level between countries.

Adding up the impacts of Strategy 3, we find more significant outcomes relative to the amount of money invested.

## V. The RBF's Grantmaking Approach and Role in the Field

Foundation performance—both in terms of overall institutional effectiveness and program impact—is inextricably linked to the ability of program staff to discern opportunities for social change, figure out how best to channel resources to effect change, and skillfully engage others in the effort. Staff must stay current with often rapidly changing developments in their field and determine if the tactics being implemented are gaining traction or have become stagnant. The following observations emerged from our interviews with grantees, peer donors, experts, and organizations that were not grant recipients. They are a critical component in ascertaining if and why the RBF has been effective.

### Strengthening Infrastructure through Networks and New Organizations

There is no shortage of DP-GG grantees who credit their very existence to RBF support in their early years. Simply put, the work the RBF supports makes possible a whole range of actors that might not otherwise receive support. By providing funding during their early/startup phases and subsequently assisting with expanding their donor base, the DP-GG portfolio has been exceptionally opportunistic in funding and helping launch NGO startups. This reflects true funder leadership. For example, the RBF was one of only two funders present at **OPEN's** founding, and provided key support for the initial meeting that constituted the organization, as well as assistance in expanding their donor base. Similarly, the behind-the-scenes support of AOSIS members by **Islands First (IF)** was made possible with RBF's fairly modest initial pledges of support, allowing IF's founder to transition from working around his kitchen table to building an organization that now provides support for a number of climate-vulnerable island countries.

There are many examples of how the Fund staff demonstrated prescient and astute instincts about issues that later revealed their significance. For example, following a lead from the Stewart R. Mott Foundation on tax havens and the associated trillions of dollars that are off the accountability grid, DP-GG funded a meeting at Pocantico that pulled together Capitol Hill staff, Oxfam, Global Witness, the AFL-CIO, and others. This group launched a coalition called the Financial Accountability and Corporate Transparency Campaign (FACT). Today, with the controversy surrounding the Panama Papers, and all they reveal about the world's political elite, FACT has been extremely busy, and the

infrastructure is already in place for civil society to tackle these issues as the global dialogue explodes.

### Serving Alongside Grantees as a Strategic Partner

Beyond provision of funding, donors who roll up their sleeves and provide sweat equity are rare. Donors who are invited to participate fully at the table by civil society are even more rare. The DP-GG director's 15 years in Bolivia likely affords him a perspective few others have—genuine insight into developing country politics and appreciation for the global south. This has translated deeply into the ethos of this portfolio. Some of the most significant investment has gone to organizations from the global south who have served a vital role in elevating underrepresented voices and perspectives. Many have expressed gratitude for the actions that go beyond formal grantmaking—valuing relationships, connecting key actors, speaking another language—both literally as well as figuratively.

### Providing Unrestricted, Long-Term Support

Unrestricted funds are all too rare for nonprofits, and having inadequate operating funds stifles and constrains organizations from achieving optimal performance. The RBF is one of the few funders that appreciates the need for true capacity building—belief in an organization or institution and not feeling compelled to cherry-pick a project that is all too frequently the preference of most donors. In addition, provision of unrestricted funds frees grantees to be more creative, nimble, and responsive than if restricted by grants earmarked for specific projects. Organizations such as the **Center for Economic and Policy Research (CEPR)**, **Oil Change International (OCI)**, **South Centre**, and **TWN Berhad** receive a significant amount of their operational funds from the RBF. These organizations have demonstrated time and again the value of such funding as they've responded to challenges that require quick thinking and rapid response.

### Advancing the Research Agenda as a Critical Component of Advocacy

This seems to be a common theme throughout the DP-GG portfolio. It is pursued through Core grantees such as **Boston University's Global Economic Governance Initiative (GEGI)**, **Demos**, **EPI**, **GDAE**, and others who helped establish critical economic analysis that has strengthened activist engagement around the multitude of trade agreements currently being negotiated. It has also featured prominently with respect to climate, specifically through the work of **Investor Track** and **IEEFA**. Fund staff focused on building the financial expertise and capacity of grantees in order to build a broad enough base of engagement to constrain finance for new coal. This work is vital to averting new plant construction.

### Understanding the Value of Convening

The RBF's DP-GG program is recognized for having organized several groundbreaking convenings that subsequently led to higher degrees of collaboration and strategic progress. During this evaluation period, DP-GG hosted or provided funding for 18 Pocantico meetings as well as other pivotal meetings, such as one in Istanbul in 2012 that catalyzed a major international campaign to halt the finance of new coal plants. At this meeting, RBF grantee **IEEFA** recognized the opportunity to use their highly regarded analytics and apply them in the international arena, and a new international coal network was born.

The DP-GG team consistently demonstrates understanding for the need to make use of different approaches. In addition to all of the above, they use a variety of tactics—from top-down to bottom-up, inside to outside, local to national and global, as well as employing a multiflanked approach. The program staff recognize that an engaged and informed civil society is essential for effective democratic governance, and that sustained network building provides vital connective tissue so that, when an opportunity presents itself, groups are already organized to seize on the moment. As Vice Yu (South Centre) relayed in an interview, “It is when they [CSOs] are not organized that democracy fails.”

### Collaborating with other Funders

The DP-GG portfolio has used RBF resources and staff time to expand philanthropic support to important areas of work, most notably around trade and energy policy. This has included co-funding, contributing to pooled funds, and aligning grantmaking with other funders, as well as convening funders around important issues, as noted above. Beyond routine co-funding, the Fund provided just under \$600,000 to pooled and aligned grantmaking efforts on trade and energy, which helped mobilize an additional \$12.6 million in funding to these areas of concern for the DP-GG portfolio. Staff embraces networking between and among donor and grantee colleagues. This approach has enabled the DP-GG portfolio to have greater impact in the field relative to the funding invested.

### Cross-Programmatic Collaboration within the RBF

As described above, DP-GG work with the World Bank brought together two core Fund strengths: deep expertise in a pivotal place and in key institutions of global governance. When it became clear that the World Bank was the lynchpin for financing a socially regressive and environmentally destructive new coal plant in Kosovo, DP-GG partnered with Kosovar CSOs to facilitate both their entrée with the Bank, as well as support from academics, global CSOs, analysts, and a robust global coal network. This partnership has significantly delayed funding for the project. (See the March 2016 *Western Balkans Impact Assessment* report for more detail).

## VI. Adding It All Up: The Enduring Impact of the DP-GG Portfolio

In reviewing the indicators of progress for each of the strategies pursued in the DP-GG portfolio of grants, we found that there have been solid achievements in each of the three substantive areas—Trade, Finance, and Climate—as detailed in multiple examples throughout this report. Although the outcomes diverge from the strategic intent—to leverage the substantive issues to increase democratic processes within institutions—they have very much succeeded in leveraging the institutions to improve substantive outcomes in a manner that advances the DP-GG goal of strengthening the vitality of democracy and the organizational mission of social change that leads to a more just, sustainable, and peaceful world.

The best examples of impact demonstrate a well-designed effort by RBF staff to identify new narratives that break conventional north-south divides and therefore shift the debate on some of the most important issues of our time. This was clear in the case of introducing a “fair shares” concept for sharing the burden of climate mitigation, as well as in demonstrating how, absent a global moratorium on coal, global coordination could both constrain new plant construction and lead to the phasing out of financing for coal at international financial institutions. Further, we saw how concerted grantee efforts effectively delayed negotiations around the TPP, which opens the possibility of public scrutiny and engagement, and around the T-TIP, which has mobilized civil society engagement on trade issues.

We can confidently say that the RBF's contributions increased the quality and vitality of the global dialogue, leading to some important policy changes. The DP-GG's intellectual and strategic influence in confronting some of the most intractable challenges we face has been widely acknowledged by both grantees and funders. The sweat equity invested and the success in inspiring other funders to engage in a shared cause helps to mitigate an obvious challenge: Grantmaking funds are limited and disproportionate to the scale of the problems identified. It is striking that, on balance, a great deal has been accomplished with very little financial investment, a hallmark of discerning and strategic thinking.

With respect to democratic practice, we did find evidence that the focus on substantive initiatives has increased political debates on the issues in which the portfolio has invested, which has led to tangible outcomes towards the DP-GG program's goal of increasing democratic vitality as well as the RBF's overarching vision of social change that contributes to a more just, sustainable, and peaceful world. At the same time, the global governance outcomes themselves are more limited, as enduring governance changes require changes in institutional policies related to the decision-making process itself, distinct from systemic substantive area changes.

Possibly one of the most singular contributions of this portfolio has been in elevating the voices of all too frequently ignored populations of the global south. Historically, there have been patterns of systematic exclusion of people trying to gain access to content of the deals being struck that affect their lives, livelihoods, and natural environment. For both Climate and Trade, RBF funding has consistently sought to build the capacity of least-developed countries to meaningfully engage in negotiations and support social movements at regional/national levels to strengthen the connective tissues between these different constituencies. Certainly, integration of these perspectives contributes to the vitality of democracy for global governance. Although the impacts may be attenuated for formal institutional gains related to transparency, accountability, access, and participation, there is no question RBF support has elevated the profile of important viewpoints on some of the world's most vital issues.

The RBF is quite clearly funding the global discourse—namely increasing the level and quality of deliberative debates on key issues by elevating new or marginalized perspectives on substantive issues in a way that demands their consideration in key policy arenas. Across various strategies, many RBF grants in this portfolio have focused on a key principle of Robert Dahl's definition of traditional democracy: "*Enlightened understanding—the populace should be educated and informed.*"<sup>12</sup> In this manner, grantees have helped open up new public understanding of issues associated with trade agreements, which are like a Trojan Horse because they go beyond trade and include provisions about patents and copyrights, investment and land use, food and product safety, labor, environmental standards, and government regulation of financial services. By getting information out to a broader group of stakeholders and galvanizing media attention, grantees such as **Public Citizen**, **Polaris/Our World is Not for Sale**, **IISD**, and others have been effective in opening up greater discussion that has resulted in increased public and policymaker scrutiny and involvement.

Perhaps a consequence of the staff's considerable intellectual curiosity is the ability to identify important ideas early and recognize the role they might play in the complex fabric of Trade, Climate, and Finance. On many issues, the Fund has been three to four years ahead of time, and this prescience has had outsized impacts in helping shift the global discourse through a combination of thought leadership and funding for networks and emergent organizations. Staff acuity has enabled

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<sup>12</sup> Robert Dahl, *Democracy and Its Critics* (1989).

the RBF to discern pathways that can open a wedge, shine some daylight, and unsettle the status quo on some key issues. In many instances, DP-GG efforts have helped give voice to underrepresented and disempowered populations and taken important steps in leveling the playing field for them in a global system rife with entrenched interests, adverse incentives, and unfair policies.

RBF staff recognizes that, although advocacy is important, robust analysis allows movements to elevate political debates such that those with entrenched power are forced to respond to calls for more equitable solutions. In this spirit, the DP-GG work, in general, is not perceived as being evidence-based in the classic empirical sense, such as using expensive studies to “prove” a specific theory in academia, but rather the work is rooted in robust analysis directly relevant to advocacy and influencing processes to have impact. Grantees have consistently stated that RBF support enabled a coalition of NGOs to meaningfully engage in climate negotiations and interact to the point of affecting political dynamics.

Overall, we find that DP-GG portfolio impacts are far more significant for *advancing democratic practice through citizen engagement* than *affecting systemic change in the institutions of global governance*. This is particularly interesting given that the strategies themselves appear to be designed with more of a focus on targeting institutional deficits in governance (transparency, accountability, access, and participation). Staff built the program on the notion that substantive concerns would engage constituencies, building the pressure necessary to forge greater democracy in global governance. This theory has realized some meaningful achievements but has not yet revealed systemic change.

Notwithstanding important gains in elevating voices for robust policy debates, there is a gap between the DP-GG procedural strategies and substantive areas (collectively “strategic approach”). We note that, even if the goals in each of the substantive areas is achieved (e.g., shutting off global public finance for new coal projects), there is no guarantee this would advance the strategies of greater transparency and accountability, or access and participation. Perhaps this can be explained by the way DP-GG staff have described the pathway by which the strategies are pursued: Namely, that the strategies articulated lead to greater vitality of global governance where information is readily available on issues that impact the public, that the public understands who holds the power and how decisions get made, and that the public has the freedom to organize for collective action and can influence or be directly involved in decisions, bolstered by learning and innovation. In practice, this may not lead to institutional governance reforms; however, the substantive gains achieved are remarkable as relate to the size of the grantmaking and the outcomes achieved. We attribute much of this to thoughtful grantmaking that injects key ideas into the public discourse and elevates them into high-level political debates.

The choice to pursue the work through specific thematic issues (Trade, Climate, and Finance) may have overcomplicated efforts to advance the programmatic strategies, which are more focused on procedural gains such as transparency, accountability, access, and participation. The institutional focus within the strategies on achieving systemic change in global governance, processes, and rules, while present, was often eclipsed by a focus on strengthening the vitality of the discourse in these substantive areas. There have certainly been notable gains in some very specific areas, but the aggregate and enduring contributions clearly are in the substantive areas as opposed to changes in the institutional rules of engagement for how decisions get made and conflict is managed. At the same time, simply rendering those institutions more democratic is no guarantee of

substantive outcomes that advance the RBF's mission, so the choice to focus on thematic initiatives helps achieve substantive outcomes more aligned with the RBF's organizational goals.

## **VII. Conclusion**

Global governance is a challenging field that requires navigating competing economic, security, and political interests through a multipolar world facing increasing inequality, resource scarcity, and planetary instability. As communications and transportation technologies increasingly interweave individuals across conventional political and cultural divides, issues are more global in nature and present new threats and opportunities to conventional models of international governance through the nation-state. In the wake of these important developments, the RBF's Democratic Practice–Global Governance portfolio has made significant strides to address some of the greatest challenges of our time, making a significant impact on the global policy development discourse that substantially exceeds the relatively modest amount of funding available to address problems of such proportion. We applaud the program for fostering networks of impressively thoughtful grantees who are deeply committed to addressing the issues of Trade, Finance, and Climate at a foundational and structural level within economic and political systems. Through this process we believe the institution should be proud of its work in pioneering new organizations and intellectual leadership to engage in robust democratic debates to help solve some of the most intractable social and environmental problems we face.