2 The anti-politics of the Green Climate Fund: what is left to negotiate?

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Mainstream thinking on climate change governance is constrained within neoliberal policy frameworks, and within this framework it becomes increasingly financialised, despite the lack of evidence that the problems we are trying to address can be solved through financial means or institutions. Financialised policy is ubiquitous across a wide range of environmental policy areas, such as carbon trading, biodiversity offsets, REDD+, the CDM, but contributes little to averting climate catastrophe. At best, financialised policy produces a spectacle or illusion of care, a globalised narrative which is embedded and generated within traditional supranational institutions and new institutional architecture such as the Green Climate Fund. In these historic and emerging spaces formally counter hegemonic actors are now playing key roles. Incentivised by small victories over voting, participation, consultation forum and contribution powers at Board meetings, convenings and conferences, Civil Society Organisations (CSOs) invest discursive efforts and energy into a process that ultimately consumes them, and distracts from other important representations of the issue and politics at hand.

For example, the last year has seen CSOs spending much energy trying to attract public and private finance into the Green Climate Fund (GCF) on behalf of, and in cooperation with, the Board Members and Secretariat. They have also assisted on writing technical documents and assisting organisations in gaining the status of accredited entities. Inputs have been provided for the investment framework, safeguarding, ethics and integrity policy, targeting, voting procedures and country readiness, among many others. However, there remains the question of whether this is akin to activists being prisoners of an institution which does not, and may not in future, actually assist in positively affecting a decline in anthropogenic climate change.

The GCF was developed within the framework of the UNFCCC as a mechanism to redistribute money from "developed" countries to the "developing" world, to assist in adaptation and mitigation practices to counter climate change.

By February 2015, the Investment Framework, for example, was being discussed in terms of "Definitions for activity-specific sub-criteria and a set of activity-specific indicators, taking into account the Fund's initial investment framework, its initial result areas and initial results management framework, and decisions B.05/03, B.05/05 and B.06/07, as well as subsequent decisions on additional result areas for adaptation.[1]

1 GCF, (2015) Further Development of the Initial Investment Framework: Sub-Criteria and Methodology, at http://www.gcfund.org/fileadmin/00_customer/documents/MOB201503-9th/07_-_Further_Development_of_the_Initial_Investment_Framework_20150223_fin.pdf

2 GCF (2015b) Status of Pledges for GCFs Initial Resource Mobilization (IRM) as of 30 April 2015, available from http://news.gcfund.org/wp-content/uploads/2015/04/release_GCF_2015_contributions_status_30_april_2015.pdf

But this travel and work programme represents not only path dependence from earlier decisions, but also an entrapment into a future of technical detail which will fail to have much impact on the effect and consequences of the Fund. Investment decisions remain ring-fenced in the private sector facility, or answerable only to overarching targets and goals in the investment framework and its (eventual) derivative investment contracts which will be required to be loosely referenced to the priority areas.

These effects at scale are already deducible from the institutional modalities adopted up to 2014: of a 'fund-of-funds' institution; a largely mitigation based expenditure model; using private sector-oriented results and evaluation technologies that allow fictive and dirty energy subsidies to predominate; of offshore, equity fund managers promoted to decision-makers over portfolio expenditures, combined with multilateral entities as gatekeepers and *compradors*, who will likely use the same offshore intermediaries down the funding pipeline as would the private sector to begin with.

So the questions are: what is left to negotiate for a radical climate justice movement? A question that must be particularly viewed in relation to the great absorption of time and energy it takes to participate, even in this captured way, and the valuable legitimacy that participation gives the GCF, even in the absence of it operating? At the time of writing (May 2015), it had generated US$10.19 billion in pledges, of which US$3.97 billion had been signed into contracts, while seven entities were successfully accredited, including the UNDP, KfW and the Asian Development Bank. And yet it has captured the imagination and resources as a cure-all of leading environmental and climate justice NGOs and CSOs.[2]

But even more fundamentally, when it does operate, can this structure actually effect a greener future, or merely the grandfathering of current dirty energy and a big subsidy to multinationals and equity fund managers dressed up as "Green"? As Castree and Christophers pointed out recently, the type of built environment we need for living under climate change will cost trillions, not billions, and requires governments to legislate and manage, and go beyond post-politics – a disease of neoliberalism – and actually govern from Government.[3] This need to conceptualise the Green Economy at a global scale is imperative given the relative failure thus far of climate finance to grow, in relation to the required needs of climate change mitigation and adaptation in terms of the environment and changes required to human built environments for a sustainable future.[4] Castree and Christophers recently discussed this problem, and the viability of financial capital to perform a massive 'capital switch' in favour of a climate mitigating, climate adapting, new socio-economic reconfiguration which rewrites humans relationship with ecology, reminding us of the growing evidence of the urgent necessity to do so. Their proposals require restructuring of global finance and government action to ensure redistribution of financial resources – not tinkering with yet one more climate fund at the edges.

3 Castree N and Christophers B (2015), "Banking Spatially on the Future: Capital Switching, Infrastructure, and the Ecological Fix", Annals of the Association of American Geographers, 105, 2, 1-9

4 Zadek S (2013), Greening Financial Reform, **http://www.project-syndicate.org/commentary/integrating-the-green-growth-imperative-and-financial-market-reform-by-simon-zadek**; Bracking, S (2015), "The Anti-Politics of Climate Finance: The Creation and Performativity of the Green Climate Fund", Antipode, 47, 2, ps. 281-302. See also, Pacala S and Socolow R (2004), Stabilisation wedges: Solving the climate problem for the next 50 years with current technologies, Science, 305, 968-72 Pacala S and Socolow R (2004), Stabilisation wedges: Solving the climate problem for the next 50 years with current technologies, Science, 305, 968-72; O'Neill, P (2013), "The financialisation of infrastructure: The role of categorisation and property relations", Cambridge Journal of Regions, Economy and Society, 6, 3, 441-57; Castree N and Christophers B (2015), "Banking Spatially on the Future: Capital Switching, Infrastructure, and the Ecological Fix", Annals of the Association of American Geographers, 105, 2, 1-9. See also: Intergovernmental Panel on Climate Change (IPCC) (2014), Climate change 2014: Synthesis report, Nairobi, UNEP; Hallegatte S, Green C, Nicholls R and Corfee-Morlot J (2013), Future flood losses in major coastal cities, Nature Climate Change, 3, 802-6.

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Suffice to say, in relation to this academic work, and that of a plethora of natural scientists, the model of the GCF coming into existence falls far short of this type of scale and delivery, and it is hard to see in the operating modalities anything significant that would change the behaviour of the private sector at scale. Instead, this model pretends to take a different form from the past experience of climate and development finance that it will not produce from its operating framework. It also offers us a future managed by financiers, who, despite being offered the job, are still failing to produce the resources required either in the Green Bond market, or in private/public partnerships, or via this form of anticipated 'leveraged' public funding. In fact, in financial terms, the GCF can be seen as a type of hedge fund, such that if all other financing fails from a market perspective for emerging new energy technologies, then the GCF may provide a leverage on the public fiscus, despite the evidence so far that no government seems particularly eager to contribute.

So how has this entrapment come about?

Concepts such as 'international best practice', 'country-owned', and 'paradigm shift' have been used to show how the politics of climate change is negotiated; how the promise of incremental reform becomes privileged over strategic withdrawal, structural change and the insistence on effective regulation.[5] In other words, how the boundaries of the hegemonic neoliberal paradigm are constraining the issues into a financialised approach to climate change despite there being a paucity of actual proof of this being able to work quick enough or at scale. In fact, when climate change CSOs are arguing and assisting in revenue generation and pledging for the new Green Climate Fund, there is a lack of an empirical analysis that spending of the increased revenue would indicate any improvement to a cleaner economy whatsoever, or whether by supporting this structure we are delaying or retarding the type of changes needed to actually address the problem of anthropogenic global warming.

The relationship between climate finance, what is spent in its name, and the environmental impact of those projects and programmes is really that weak. This is not to say that biomass energy generators, wind farms, solar panels and so forth do not work to reduce carbon emissions. It is rather that these types of investments are being added as a side dish to a feast in which the gorging of dirty energy cuisine is not abated as a consequence. For example, an analysis of the more established CDM pattern of expenditure in South Africa shows a concentration of beneficiaries in the minerals energy complex, forming the material basis for an internationalisation of public subsidy, in the form of CDMs, to traditional fossil-fuel based and infrastructure funds offshore.[6]

The Green Climate Fund design

The Governing Instrument for the GCF was approved by the COP to the UNFCCC on 11 December 2011 in Durban.[7] It was conceived as something that would

5 Bracking, S (2015), "The Anti-Politics of Climate Finance: The Creation and Performativity of the Green Climate Fund", Antipode, 47, 2, ps. 281-302

6 Bracking, S (2015), "The Anti-Politics of Climate Finance: The Creation and Performativity of the Green Climate Fund", Antipode, 47, 2, ps. 281-302
Bracking (2012), "How do investors value environmental harm/care? Private equity funds, development finance institutions and the partial financialization of nature-based industries", Development and Change, 43(1): 271–293.

catalyse a "paradigm shift" in climate finance toward low emissions development pathways; which would be able to raise much larger sums than current flows of climate finance; and that would grant or lend to both the public and private sector simultaneously; while also generating funds from both. It was designated as an operating entity of the Financial Mechanism of the Convention. The "Governing instrument for the Green Climate Fund" makes reference to country ownership in relation to devolved direct access.[8] However, some of the key concepts, such as "paradigm shift to climate resilient development", "country ownership", and even "climate finance", have weak foundational definitions and little international legal or institutional precedent.

The Investment Framework approved at the seventh meeting in Songdo in May 2014 prioritised the delivery of private sector prerogatives. While committing to a 50:50 portfolio divide between adaptation and mitigation "over time" in its "portfolio targets", the document also commits to a "significant allocation to the Private Sector Facility" without it being entirely clear whether this is accounted for before or after the 50:50 guideline is measured.[9] By the seventh meeting "paradigm shift potential" looks very much like older definitions of the "catalytic" and "demonstration" effects of development finance from the 1980s and 1990s. These effects suggest that public funds can catalyse private sector counterparts by demonstrating a "good idea", here indicated by "replicability", "scalability", "knowledge and learning" and the contribution of spending to an "enabling environment".[10]

Resource mobilisation was begun in early July 2014, for an expected operational start in November 2014. In May 2014, the Fund was declared open for business, or at least open to begin an initial resource mobilisation process aimed at reaching capitalisation of between US$10 and US$15 billion by November 2014. However, on the 10th of June 2014, the Indian country representative, among others, noted at the contact group of the UNFCCC's Ad Hoc Working Group for Enhanced Action under the Durban Platform in Bonn that the remaining lack of legal definition to such terms as "climate finance" and "additionality" still warned of the problem of financial fungibility, or re-classifying, of current Official Development Assistance (ODA) as "climate finance". How could anyone tell if funds were "additional" or merely reclassified ODA?

The complexity of counting between promises, pledges, commitments, contracted and dispersed finance is compounded by some confusion over the differences between the categories, and 'roll-overs' within and between them, which add even more complexity to the counting game.

Many radical sounding concepts proposed by CSOs in 2011 were successfully migrated into the first Framework document in Durban 2011. This looked hopeful for a new type of climate finance capable of transformational change, yet, a transformation in the meaning of words, rather than practice, has occurred. For example, a reliance on the worth of "international best practice", led to review exercises of other multilateral practice. Both the background papers for the

7 Green Climate Fund (GCF) (2012), Governing Instrument for the Green Climate Fund, available from http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf [Accessed on 9th November 2013]

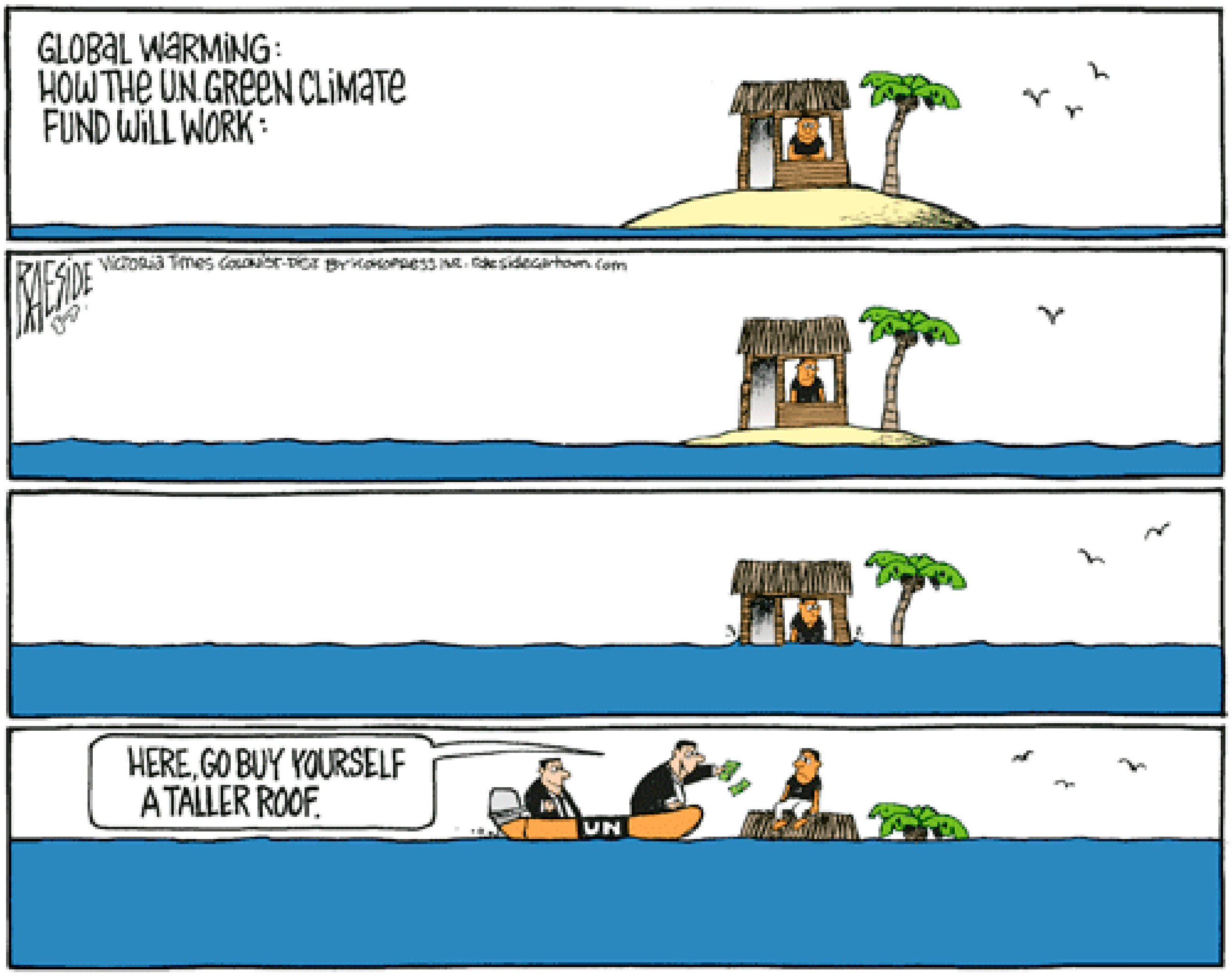
8 Green Climate Fund (GCF) (2012), para 47 Governing Instrument for the Green Climate Fund, available from http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf [Accessed on 9th November 2013]

9 GCF (2014), Investment Framework, available from http://gcfund.net/fileadmin/00_customer/documents/MOB201406-7th/GCF_B07_06_Investment_Framework140509__fin_20140509.pdf

10 GCF (2014:5), Investment Framework, available from http://gcfund.net/fileadmin/00_customer/documents/MOB201406-7th/GCF_B07_06_Investment_Framework140509__fin_20140509.pdf, GCF (2014b), Initial Proposal Approval Process, Including the Criteria for Programme and Project Funding, available from http://gcfund.net/fileadmin/00_customer/documents/MOB201406-7th/GCF_B07_03_Initial_Proposal_Approval_Process_fin_20140508.pdf

"Access modalities paper" and the "Allocation" paper followed this methodology of looking at how already existing Funds behave.[11] Both used the term "international" as unquestionably signifying excellence. The World Bank, as trustee, was allowed to become an embodiment of this "international best practice" and were influential in designing many operational procedures from its pre-existing funds, while the IMF safeguarding standards were adopted in May 2014, albeit as an interim measure, for at least three years.

However, the discursive signifier of "international best practice" is slow and opaque in generating detail on its operations. If it exists at all, international best practice might also be inferior to what one might expect. For example, accounting standards for climate or development finance do not exist, and the safeguarding and impact evaluation models currently employed by generic development finance institutions, from which climate funds seek to borrow, are thin and problematic, including the IMF system.[12]



11 GCF (2013b) Allocations Paper, available from http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF_B05_05_Allocation_fin_2013_09_30.pdf [Accessed on 9th November 2013]. See also: GCF (2013c) Allocations Paper, available from http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF_B05_05_Allocation_fin_2013_09_30.pdf [Accessed on 9th November 2013]

12 Bracking S and Ganho, A (2011), Investing in Private Sector Development: What are the Returns? A review of development impact evaluation systems used by development finance institutions in Europe, Norwegian Church Aid, Oslo, 6th June, 2nd ed. From http://www.kirkensnodhjelp.no/en/About-NCA/Publications/Reports/report-on-investing-in-private-sector-development/

13 Bracking S, Brockington D, Bond P, Büscher B, Igoe J J, Sullivan S, Woodhouse P (2014), "Initial research design: 'Human, non-human and environmental value systems: an impossible frontier?'", LCSV Working Paper Series No. 1, available from http://thestudyofvalue.org/wp-content/uploads/2013/11/WP1-Initial-Research-Design-final.pdf; Bracking, S (2015), "The Anti-Politics of Climate Finance: The Creation and Performativity of the Green Climate Fund", Antipode, 47, 2, ps. 281-302

Despite these weaknesses the CSOs present were relatively uncritical of what they were to inherit, arguably allowing capital and the powerful Board Members to reinforce their own position using the "superior" authority of consultants. Likewise, the Investment and Business modalities drew on the same methodology of global 'experts' selected opaquely and from the realms of finance. These would subsequently (June 2014) embed the 'climate science' in a black box, or calculative entity at the core of the working rationality of the new Fund, serving to guide future spending into some quite ad hoc priority areas.[13]

In short, the GCF has become a pooled private equity fund, with a firewall to stop the cognitive connection between what is needed to prevent catastrophic climate change, and what capital is prepared to do in the GCF and the non-commensurability between.[14] As part of the production of the firewall, a believable threat of financial withdrawal was used by capital to force the problem framing in favour of neoliberal governmentality. The negotiation process has in fact been shaped, unconsciously and consciously, by various standpoints outside the proximate procedural process, allowing a large influence to be given to financial imperatives in decision-making, and a consequent lower influence given to climate science. Often, benefits to the corporate sector were heuristically aligned with the 'right' science for the planet, and juxtaposed, or put into an opposition with, the interests of 'development' and people. When 'correctly' framed, with benefits to corporate firms and banks dominant, governments and 'green funds' made intonations about money being promised. Conversely, when returns to corporate firms and banks were more successfully negotiated out of predominant importance by some Board members, and developmental and environmental co-benefits framed high, these financial promises retreated. In other words, decision-making was financialised, which puts into question how far participation in such institutions as the Green Climate Fund can really further objectives of people-centred ecology.

Conclusion

Two clear outcomes are consequent upon the GCF's 'existence' to date: the non-performance of actual climate change governance and expenditures from 2009 to 2014 (current global public expenditure on climate change by OECD members remains a derisory US$9 billion in financial year 2013–2014) and the locking of CSOs concerned with the GCF into complex technical engagements which drain their resources and time, but which contribute to the performance of environmental care as non-material spectacle.[15] Thus, returning to the question with which this paper began, does CSO participation improve results substantively, or are incremental improvements outweighed by the continued legitimacy that participation gives to the deeply flawed system of climate finance as a whole?

However, the non-performance of climate change governance must be our starting point in respect to

14 Igoe, J (2014), "Firewall" in Fredriksen A, Sarah Bracking, Elisa Greco, James J Igoe, Rachael Morgan, and Sian Sullivan, "A conceptual map for the study of value: An initial mapping of concepts for the project 'Human, non-human and environmental value systems: an impossible frontier?", LCSV working Paper Series No. 2, available from http://thestudyofvalue.org/wp-content/uploads/2013/11/WP2-A-conceptual-map.pdf.

Fredriksen A, Sarah Bracking, Elisa Greco, James J Igoe, Rachael Morgan, and Sian Sullivan, "A conceptual map for the study of value: An initial mapping of concepts for the project 'Human, non-human and environmental value systems: an impossible frontier?", LCSV working Paper Series No. 2, available from http://thestudyofvalue.org/wp-content/uploads/2013/11/WP2-A-conceptual-map.pdf

15 Organisation of Economic Cooperation and Development (OECD) (2013), Aid Activities targeting environmental objectives, statistics, available from http://stats.oecd.org/Index.aspx?DataSetCode=RIOMARKERS [Accessed on 26th April 2013]. See also: Igoe J (2013), "Nature on the Move II: Contemplation Becomes Speculation", New Proposals: Journal of Marxism and Interdisciplinary Inquiry, 6, 1-2, 37-49

Non-outcomes suit the powerful, such that we are observing an 'anti-politics', where the appearance and performance of care and concern has taken over from the actual practice of beneficial policy and government action.

improving influence and traction at a global level. In this respect, it is unfortunate that many observers prefer to frame the problem as many neoliberals would, not as a problem of unequal power and a lack of democracy, but as a temporary problem of implementation, capacity, or resources. Non-outcomes suit the powerful, such that we are observing an 'anti-politics', where the appearance and performance of care and concern has taken over from the actual practice of beneficial policy and government action.

Within the GCF powerful countries, corporations and banks have extended their control over and non-delivery of climate finance, while civil society actors have argued over discourse, won small representational victories, and deepened their involvement in technologies of advanced liberal governance. CSO involvement in this has no direct relationship to furthering the objectives of ecological justice, not least because the technologies they are helping to design are legitimating devices that are thinly referent to science. The significance of operating modalities to eventual investment decisions and their substantive outcomes is also unknown, since inbuilt flexibility allows Board members some largesse in the commitment of resources, not least because of the non-fixity of key categories and concepts to date, and the amorphous and broadly conceived nature of monitoring, evaluation and results areas.

In short, the current form of CSO practice matters in a number of ways and can be improved. First, there is an opportunity cost, where time and energy spent here are resources not being spent on building concrete movements in national contexts which would have the power to change national environmental policies and the behaviours of nationally-authored representatives in supranational structures. Second, having an inflated and not very well proved faith in the ability of supranational structures to change our future also detracts from efforts to build it ourselves in the everyday now. Third, participation within the GCF and indeed the COP process more broadly seems to lend itself to people believing that the problem of responding to climate change is financial, and that more money will help solve it. This leads to uncomfortable alignments with corporate power, where CSOs join a chorus asking for fiscal resources from states, many of whom are hard-pressed with funding social welfare. Alternatively, CSOs become involved in trying to persuade corporate entities to commit with financial resources. But there is little evidence that this will ever happen except in markets regulated to ensure a profit in their favour. Either way, the entrapment is in the language of financialisation.

At some point, as with broken fridges or old vehicles, it is better to stop spending further resources in mending them, but to consider a new model, or in our case, a whole new lifestyle designed to live with different technologies altogether. A practice of democratic government which can act on science and peoples' needs at a national and international level would be my first 'ask' in this respect, to assist communities to live differently; an ask which demands a peoples' based political movement to make it happen.

Withdrawing from observer status in supranational forum such as the GCF, or indeed the COP process, may be premature. However, intervention does need to be realigned to political movements beyond and outside the epistemic financial elite. As Quincy Saul lamented recently, "We need to stop chasing the ruling class around the world," for the "big PR campaign, [where] they're going to open up new markets for false solutions…..When are we going to stop just conference-hopping….putting up a big pagoda, and having the "alternative people's tent?" An alternative, according to Saul, is that "we need to build our own autonomous bases of resistance and prefiguration".[16] As part of this I suggest the need for a more critical realist analysis of what the GCF can and cannot do: it is not very green, its climate is business friendly and its funds are missing. Moreover, if it had money it may just trap us further into overly slow and insufficient climate change governance.

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16 Saul Q and J S Castro (2015), "A Discussion with Quincy Saul: On Climate Satyagraha", Counterpunch, April 10th-12th available from http://www.counterpunch.org/2015/04/10/on-climate-satyagraha/