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EFFECT OF TRANSPARENCY PRACTICES ON SUSTAINABLE CLIMATE-RESILIENT NATURAL RESOURCE MANAGEMENT: A CASE STUDY OF TRANSPARENCY INTERNATIONAL-KENYA

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ABSTRACT
Transparency mechanisms play a critical role in ensuring sustainable and climate-resilient natural resource management (NRM), particularly in the face of increasing climate-related challenges. This study sought to assess how Transparency Mechanisms enhance sustainable NRM, focusing on Transparency International-Kenya (TI-Kenya) as a case study. Grounded in Environmental Governance Theory, the research employed a quantitative approach, drawing insights from a diverse range of stakeholders to capture quantitative dimensions of governance effectiveness. The target population was 150 people who included TI-Kenya employees, policymakers, environmental experts, and local community representatives, selected through stratified and purposive sampling techniques. The findings affirmed that sound transparency mechanisms were indispensable in fostering sustainable, climate-resilient natural resource management at Transparency International-Kenya. The study recommended that future research could explore how these corporate governance mechanisms function in more diverse contexts, particularly among smaller grassroots organizations or in different geographical regions facing distinct climate impacts.
Keywords: *Corporate Governance, Transparency, Natural Resource Management, Sustainability, Climate Resilience, Environmental, Social, and Governance (ESG).*

INTRODUCTION
Effective natural resource management, when guided by robust corporate governance mechanisms is fundamental to achieving climate resilience. Multilateral institutions such as the United Nations Framework Convention on Climate Change (UNFCCC) have underscored the urgency of strengthening governance frameworks for natural resource management, given their heightened exposure to climate-related risks (Hickmann et al., 2021). Comparative studies reveal that countries with stronger government attributes like transparency, exhibit more adaptive resource management practices and superior environmental outcomes. These findings affirmed the critical role of corporate governance in shaping sustainable, climate-resilient approaches to natural resource stewardship.

According to World Economic Magazine, 2024, Effective corporate governance is based on the fundamental idea of transparency, especially in Kenya, where institutional accountability and public confidence are still vital. Open access to information about resource management and decision-making procedures empowers stakeholders, reduces corruption, and improves public oversight, according to Transparency International Kenya (TI-Kenya). TI-Kenya promotes governance systems that are not only participatory but also rooted in integrity and accountability through its strategic focus on institutional development, public financial management, and citizen demand (Transparency International Kenya, 2025). This openness reduces opportunities for corruption, enhances public oversight, and fosters informed decision-making. Countries like Norway demonstrate the benefits of embedding transparency in governance systems. Norway's Government Pension Fund Global (GPFG), managed under strict ethical and sustainability criteria, has become a model for safeguarding resources for future generations while promoting accountability and trust (Norges Bank Investment Management NBIM, 2024).

Kenya, like many African countries, faces severe impacts from climate change on its water resources, forests, and agriculture. The Kenyan development plan, Vision 2030, highlights the importance of prudent resource management for economic growth and environmental conservation (Mwenzwa & Misati, 2014). Despite the principles of transparency and accountability outlined in the Kenyan Constitution (2010) and various environmental policies, their implementation remains inadequate.

Corporate governance mechanisms are fundamental in promoting transparency in natural resource management (NRM). Effective transparency ensures that resource allocation, policy development, and project implementation are conducted with integrity and inclusivity. Globally, strong corporate governance practices have been recognized as critical in combating corruption, fostering public trust, and enhancing resource sustainability. The Extractive Industries Transparency Initiative (EITI) exemplifies this by showing how corporate governance mechanisms like transparency improve resource management and reduce misuse (Mejía Acosta, 2013).

STATEMENT OF THE PROBLEM

In the past five years, Kenya has made notable progress in integrating climate resilience into its natural resource management (NRM) frameworks. Approximately 40% of national NRM plans now incorporate climate adaptation strategies (Ministry of Environment and Forestry, 2020), and over KES 50 billion has been allocated to climate resilience initiatives through the Climate Change Directorate, established under the Climate Change Act of 2016 (Kenya National Treasury, 2023). Despite notable strides in environmental policy and institutional reforms, the persistent lack of transparency in governance manifested through entrenched corruption and limited civic engagement, continues to erode efforts toward sustainable, climate-resilient natural resource management (NRM) in Kenya. Transparency deficits have proven particularly detrimental: Kenya's ranking of 124th out of 180 countries on Transparency International's Corruption Perception Index, with a score below 40/100, underscores the systemic nature of corruption within public institutions (Transparency International, 2020). These governance failures have directly contributed to environmental degradation, exemplified by the alarming reduction in forest cover from 12% in the 1960s to approximately 7% today, largely driven by illegal logging operations enabled through bribery and weak oversight (Kenya Forest Service, 2018; Muchangi, 2020).

Furthermore, opaque decision-making processes that marginalize local communities have led to policy frameworks that are both unsustainable and ineffective (Kameri-Mbote, 2018; TI-Kenya, 2020). This case study, examines the role of transparency practices, particularly those championed by Transparency International-Kenya—in shaping accountable, inclusive, and climate-resilient NRM systems. This study addresses that gap by examining how Transparency International-Kenya (TI-Kenya) applies corporate governance principles. It investigates how transparency, typically associated with public and private sector governance, can be adapted within a civil society context to enhance sustainable resource stewardship and combat corruption in Kenya's climate adaptation landscape (Muriuki & Wakhungu, 2020).

OBJECTIVE OF THE STUDY

To examine the effect of transparency practices on sustainable climate-resilient natural resource management, a case study of Transparency International Kenya.

SIGNIFICANCE OF THE STUDY

This study advances academic understanding by connecting transparency mechanisms with climate-resilient natural resource management, a nexus that remains under-explored in existing literature. By integrating governance principles such as transparency into environmental frameworks, the research offers a good perspective on institutional responses to climate challenges (Hickmann et al., 2021). Beyond its academic contribution, the study holds practical significance for policymakers, regulatory bodies, corporate actors, and civil society organizations striving to align governance structures with sustainability imperatives and climate adaptation goals.

LITERATURE REVIEW

Theoretical review

The Agency Theory

The study is anchored on the Agency theory articulated by Jensen and Meckling (1976), which addresses the conflict that arises from the separation of ownership and control in corporations. In this framework, shareholders (principals) delegate decision-making authority to managers (agents), whose interests may not always align with those of the owners. This misalignment, known as the agency problem, can lead to decisions that prioritize short-term financial gains over long-term sustainability (Gwala & Mashau, 2023). In the context of natural resource management, lack of transparency as a corporate mechanism exacerbates agency problems, allowing managers to overlook environmental responsibilities. Conversely, robust governance mechanisms such as transparent reporting, board oversight, and stakeholder engagement can align managerial actions with sustainability goals (Yang et al., 2025). This alignment is critical in ensuring that environmental stewardship becomes a core component of corporate strategy. The Agency Theory, supports the integration of transparency practices by emphasizing the role of governance in aligning managerial incentives with long-term environmental goals. Firms with climate risk governance frameworks are more likely to innovate in environmental practices and invest in resilience-building initiatives (Wiley, 2025).

Empirical Literature Review

Transparency extends beyond information dissemination and emphasizes the need for timely disclosures, accessible, accurate and relevant for stakeholders to make informed decisions (Reed et al., 2018). Starik and Rands (2022) echo this, asserting that effective transparency substantially enhances organizational performance and governance structures. They highlight mechanisms such as Management Information Systems, websites, and intranets, emphasizing that robust digital reporting makes concealment of information challenging hence fostering transparency. Studies, according to Auld and Gulbrandsen (2010) suggested that firms resolving internal governance and agency conflict tend to exhibit better transparency and performance. This study was then corroborated by Bierstaker (2009) demonstrated that firms with sound liquidity were more transparent, providing extensive non-financial disclosures. While both studies identify transparency as a critical element of corporate governance, disclosures and financial performance, their scope remained limited to corporate contexts.

However, despite these gains, significant gaps remain in translating transparency reforms into measurable climate adaptation strategies. A systematic review of ESG research in Africa reveals that while disclosure practices are improving, the integration of climate resilience into corporate governance remains inconsistent and underdeveloped (Kogi et al., 2025). This disconnect suggests that ESG compliance alone may not be sufficient to drive transformative environmental outcomes without deeper institutional commitment. Moreover, governance failures continue to produce severe environmental consequences. Weak oversight and lack of transparency have been linked to deforestation in the Amazon, oil spills in the Niger Delta, and overfishing in Asia (Gwala & Mashau, 2023). These cases highlight the urgent need for governance systems that go beyond compliance to embed environmental ethics and climate resilience into core business strategies.

CONCEPTUAL FRAMEWORK

Independent Variables **Dependent Variable**

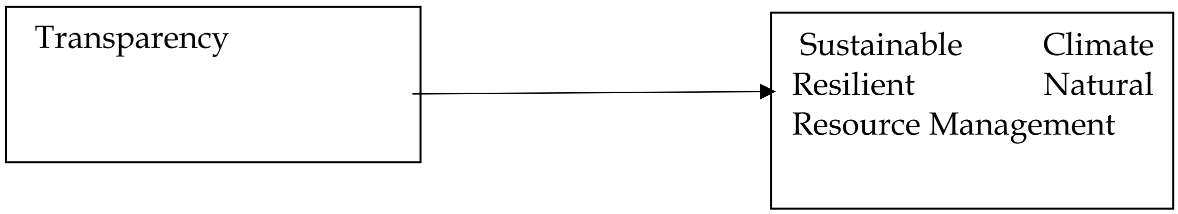

Figure 1: Conceptual Framework

METHODOLOGY

This study employed a quantitative approach to explore how transparency influenced natural resource management in Kenya. The method provided an understanding of the relationship between transparency and environmental outcomes, while enhancing the validity and reliability of the findings (Kibuthu, 2022). The research focused on Transparency International Kenya and the community members operating in resource-intensive sectors, which were selected due to their active involvement in resource extraction and their environmental sensitivity (Government of Kenya, 2021). These entities provided a compelling context to investigate how transparency practices influence sustainable, climate-resilient natural resource management. By focusing on organizations operating at the nexus of environmental sensitivity and community engagement, the research aimed to unpack the extent to which transparency—particularly as championed by Transparency International-Kenya—shapes governance outcomes, accountability mechanisms, and long-term ecological stewardship (Government of Kenya, 2021).

The target population was governance officers, environmental compliance managers, from Transparency International Kenya, and community leaders in resource-rich areas. Participants were selected using purposive sampling to ensure that those involved had direct experience and insight into governance and resource management practices (Muigua, 2019). Data collection made use of both primary and secondary sources to comprehensively assess the role of transparency in climate-resilient natural resource management. Secondary data included corporate sustainability reports, environmental audits, and governance disclosures, which offered quantitative insights into transparency performance across selected entities (Government of Kenya, 2021; Ministry of Environment, Climate Change and Forestry, 2024). Primary data was obtained through structured questionnaires issued to corporate officials, community representatives, and civil society actors. This triangulation enabled the study to capture institutional practices alongside community-level experiences, thereby enriching the analysis of how transparency mechanisms contribute to environmental accountability and resilience (CBIT Kenya, 2019; Njuguna et al., 2025).

Quantitative data was analyzed using descriptive statistics and correlation analysis to identify patterns and relationships between transparency indicators and environmental performance. A multiple regression analysis was conducted to establish how the dependent variable, sustainable climate resilient natural resource management relates to the independent variable, transparency. The regression model elucidated the strength of the independent variable, transparency on the dependent variable, sustainable climate resilient natural resource management. The regression equation was of the form:

$$\mathbf{Y = \beta_0 + \beta_1 X_{1\ +\ e}}$$

where
Y= Sustainable Climate Resilient Natural Resource Management
β_0, constant term
β_1 Represents independent variables Beta
X_1 = Transparency
E

RESEARCH FINDINGS AND DISCUSSION

The study at Transparency International Kenya showed strong engagement and reliable governance metrics, with high internal consistency across key dimensions. Transparency was positively perceived and statistically significant in driving sustainable, climate-resilient resource management. Climate risk assessment emerged as the strongest predictor. Collectively, transparency formed part of a robust framework for institutional sustainability and offer a replicable model for similar organizations. Of 150 employees working for various departments at Transparency International and issued with questionnaires, 142 filled and returned making a response rate of 94.67%. According to Mugenda and Mugenda (2008), a response rate of 50% is adequate, 60% is good and 70% is excellent. Respondents were 46% female and 51% male. Of the respondents, 50% were valid partner organization representatives while valid volunteer and community member organizations were 25% each. The educational qualification of the respondents showed that 30 respondents, 21.1% have attained postgraduate qualifications, 79 (55.6%) held undergraduate degrees and 21.1% held diplomas. Additionally, 64.8% of those interviewed had worked for Transparency International for over 20years, 30.3% had been there 16-20 years and only 4.9% were in the 11-15-year category.

Bivariate Linear Correlation Analysis

Linear correlation analysis was used to show the correlation between the variables as represented in Table 1 below.

Table 1: Correlation Analysis

		Transparency in Policy Formulation	Sustainable Climate resilient NRM
Transparency in Policy Formulation	Pearson Correlation	1	.762**
	Sig. (2-tailed)		.000
	N	127	127
Sustainable Climate Resilient NRM	N	127	127
	Pearson Correlation	.762**	.714**
	Sig. (2-tailed)	.000	.000

This revealed that the predictor variables have a positive association between them at a significant level of 0.01 and hence included in the analysis. There was a strong positive and significant relationship between transparency in policy formulation and sustainable climate resilient NRM the findings also reveal a strong positive relationship. This implies that the transparency in policy formulation has the strongest effect on sustainable climate resilient NRM at Transparency International.

Regression Analysis

The analysis was conducted to test the overall significance of the regression model and to evaluate whether the independent variables, when considered together, provide a statistically significant explanation of the variance in the dependent variable. The ANOVA results, as presented in Table 2 below, indicate transparency in the model was unlikely to have occurred by chance, thus confirming the model's validity for further interpretation.

Table 2: Model Validity

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.556	4	.889	20.674	.000b
	Residual	5.827	137	.043		
	Total	9.389	141			

a. Dependent Variable: Sustainable Climate Resilient NRM
b. Predictors: (Constant) Transparency in policy formulation

The validity of the multiple regression model was evaluated using the F statistic derived from the ANOVA test. The results indicated that the overall regression model was statistically significant, which collectively, the predictor variable included in the model provide a meaningful explanation of the variance in sustainable climate-resilient natural resource management at Transparency International.

Model Summary

The model's goodness of fit statistics are presented in Table 3 below.

Table 3: Model's Goodness of Fit Statistics

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.840[a]	.705	.693	.20624

a. Predictors: (Constant) Transparency in policy formulation

Regression Coefficients

The multiple regression variable coefficients are presented in Table 5.

Table 4: Multiple Regression Variable Coefficients

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	5.214	.585		8.916	.000
	Transparency in policy formulation	.555	.082	.456	6.768	.000

a. Dependent Variable: Sustainable Climate Resilient NRM

The study established that holding other factors constant, a unit increase in transparency in policy formulation would lead to 0.555 unit increase in sustainable climate resilient NRM. From the coefficients, it was established that transparency in policy formulationn has an influence on sustainable climate resilient Natural Resource Management at Transparency International, Kenya.

CONCLUSION

Transparency emerged as a foundational element, enhancing trust and clarity in policy formulation and implementation. Transparency is central to embedding sustainability and climate resilience in natural resource management. However, governance challenges such as weak enforcement, corruption, and profit-driven decision-making undermine these outcomes.

RECOMMENDATIONS

Transparency must be institutionalized as a foundational principle across both governmental and civil society platforms to strengthen climate-resilient natural resource governance. This involves adopting standardized protocols that guarantee open access to policy documents, budgetary allocations, environmental impact assessments, and implementation reports. By reducing informational asymmetries, such measures foster stakeholder trust, empower public oversight, and enhance accountability in resource management. Within corporate entities, transparency should be embedded in governance structures through board-level sustainability committees and the adoption of global disclosure frameworks such as the Global Reporting Initiative (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD). These tools enable consistent, comparable, and credible reporting on environmental and social performance, reinforcing corporate accountability. Moreover, stakeholder engagement must be transparently structured to include communities, government agencies, and civil society actors in decision-making processes. Regulatory bodies require enhanced capacity—not only to enforce environmental and governance laws—but also to ensure that transparency standards are upheld across sectors. Finally, aligning corporate operations with international Environmental, Social, and Governance (ESG) frameworks and the Sustainable Development Goals (SDGs) ensures that transparency is not merely procedural, but a strategic driver of long-term sustainability and resilien

AREAS OF FURTHER STUDIES

Future research should explore the effectiveness of Transparency committees within public institutions, especially in natural resource management. Studies on ESG adoption among SMEs are also needed to broaden the governance discourse. Investigating stakeholder engagement in extractive industries and its influence on environmental decisions would offer valuable insights. Further inquiry could explore the intersection between digital governance tools and transparency in NRM. With increasing adoption of e-governance platforms, mobile reporting systems, and block chain-based transparency solutions, future studies could evaluate how technology enhances or complicates transparency in resource management.

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