

Meeting of the Board

21 – 24 October 2024 Songdo, Incheon, Republic of Korea Provisional agenda item 8 GCF/B.40/Inf.04

30 September 2024

Report on the activities of the Independent Redress Mechanism

Summary

This report provides an update on the progress made with regard to the activities of the Independent Redress Mechanism (IRM). The reporting period is from 1 May 2024 to 31 August 2024. The document summarises the activities of the IRM based on the work plan and budget of the IRM for 2024 adopted by the Board at its thirty-seventh meeting.



I. Introduction

1.1 Background

- The Independent Redress Mechanism (IRM) is mandated in paragraph 69 of the GCF's Governing Instrument. This paragraph states that "(t)he Board will establish an independent redress mechanism that will report to the Board. The mechanism will receive complaints related to the operation of the Fund and will evaluate and make recommendations." The IRM performs a key function within the GCF's accountability mechanisms. The IRM reports directly to the Board and is subject to the decisions of the Board. It is independent of the Secretariat of the GCF.
- The report on the activities of the IRM provides an update on the progress made by the IRM and covers key priority initiatives identified in the work plan of the IRM for 2024 adopted by the Board at its thirty-seventh meeting. The reporting period is from 1 May 2024 to 31 August 2024, with budget utilisation until 31 July 2024.
- 3. The work plan of the IRM for 2024 identified the following key components to help guide the work of the IRM:
- (a) Operating the IRM;
- (b) Processing complaints from GCF project-affected people and addressing requests from developing countries for reconsideration of funding decisions;
- (c) Providing advice;
- (d) Developing the capacity of grievance redress mechanisms of DAEs; and
- (e) Conducting outreach.

II. Operating the IRM

2.1 Progress on operating the IRM

- 4. **The implementation of the work plan and budget**: The terms of reference (TOR) of the IRM require it to consult with the Ethics and Audit Committee (EAC) on the implementation of its work plan, as appropriate. As decided by the EAC, the IRM submits quarterly reports to the EAC regarding its work.
- 5. **Administrative reporting to the Executive Director:** The TOR of the Head of the IRM provides that, for administrative purposes only, the Head of the IRM will report to the Executive Director (ED). This administrative reporting already happens practically through established systems for tracking and overseeing GCF-wide administrative and procedural requirements. However, some administrative actions fall outside of these systems and therefore the IRM has accordingly submitted monthly update reports to the ED.
- 6. **Staffing:** The IRM is currently staffed with six full-time staff members, including the Head of the IRM, the Compliance and Dispute Resolution Specialist, the Registrar and Case Officer, the Communications Officer, the Dispute Resolution Case Associate, and Operations and Administrative Analyst. The IRM onboarded two interns on 8 July and is welcoming a Case Associate on 2nd October. IRM is also recruiting a Compliance and Policy Lead, whose

¹ Decision B.37/11



onboarding is currently envisaged for Q4 of 2024, as well as a Dispute Resolution Senior Specialist².

7. **Consultancies and Professional Services:** During the reporting period, the IRM contracted several consultants to support the handling of its new case, C-0010-Uganda: a local community liaison and two regional interpreters for the support of missions. Moreover, the recent case activity required an increased use of translation and interpretation services, which are contracted under professional services.

III. Processing complaints and reconsideration requests

3.1 Complaints and requests for reconsideration of funding decisions

- 8. The IRM processes (a) complaints from persons adversely affected by GCF-funded projects or programmes and (b) requests from developing countries for reconsideration of funding denied by the Board.
- 9. The IRM has handled two *ongoing complaints* during the reporting period:
- (a) **FP034:** On 3 April 2024, IRM received a complaint alleging adverse impacts related to the implementation of GCF-funded project FP034 "Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda." The IRM acknowledged receipt on 8 April 2024 and subsequently proceeded to determine the eligibility of the complaint. The complainant(s) requested and were granted confidentiality, per the IRM Procedures and Guidelines (PGs) and as a result of the IRM's retaliation risk assessment.

The complainant(s) raised several concerns related to the implementation of the project, including restrictions on access to wetlands, lack of compensation and/or adequate consultation, increased food insecurity and impoverishment of wetlanddependent communities, and increased threats to community health, security, and safety, among others, During eligibility determination, IRM gathered information. including first-hand accounts of the harms alleged and detailed descriptions of livelihood and wetlands demarcation activities in more than one district where the GCFfunded project is being implemented. Based on the information gathered, the IRM determined the complaint to be eligible.³ The IRM then proceeded to engage with the complainant(s) and relevant stakeholders to provide further information on the next steps and options available to process the complaint. An IRM mission took place in June to engage with the complainant(s) and relevant stakeholders on the ground as part of the initial steps stage of the IRM case-handling process. Given the complexity of the case, the number of project sites, and the distances between project sites, the deadline for the initial steps was extended,4 As indicated in our previous report the IRM is organizing a second mission to Uganda as part of the initial steps phase, this mission will be led by the Dispute Resolution team of the IRM. In this occasion, the IRM will be accompanied by an expert mediator based in the region who has experience in similar cases and who, should the parties decide to process the complaint by using mediation, is expected to continue supporting the process. Once the mission is finished the IRM will then start drafting an initial steps report and circulate it to the parties for their approval. The final

 $^{^2}$ This follows the resignation of the Compliance and Dispute Resolution Specialist which will come into effect in November.

³ The eligibility determination is available at: <u>determination-eligiblity-c0010-uganda.pdf (greenclimate.fund)</u>

⁴ The extension of time decision is available at: https://irm.greenclimate.fund/sites/default/files/case/c0010-uganda-irm-extension-time-decision-initial-steps.pdf



initial steps report will indicate the parties' choice on whether the case should be processed by mediation or, alternatively, by compliance review.

- (b) **FP039:** *GCF-EBRD Egypt Renewable Energy Financing Framework:* In 2022, the IRM received two complaints related to concerns over working conditions, access to grievance mechanisms, and community development issues in the Benban Solar Park, with relevance to FP039.⁵ The IRM determined both complaints to be eligible,⁶ and during the initial steps phase, the Parties opted at the time to move forward with problem-solving to address the complaints.⁷ During the second joint meeting in December 2023, the Benban Community and the Benban Solar Developers Association (BSDA) settled issues related to community development. As a result, the IRM launched the monitoring phase in relation to the community-related complaint.⁸
- Additional complaints related to employment matters were handled separately. At the conclusion of the problem-solving phase, one party reached a settlement through a problem-solving agreement and one complaint was referred to compliance review as of April 24, 2024.9 The compliance appraisal for the latter complaint concluded on 12 July 2024 with a recommendation to proceed to a compliance investigation. The complaint that initially reached a problem-solving agreement entered the monitoring phase. However, during monitoring, the problem-solving agreement was determined to be no longer feasible and the complaint was referred to compliance review as of 14 July 2024. The compliance appraisal for this second complaint concluded on 13 September 2024 with a recommendation to proceed to a compliance investigation. The IRM will ensure a common Scope of Investigation in respect of both complainants and will proceed on the basis of a single compliance investigation. The Compliance Investigation phase should conclude no later than 12 July 2025, subject to IRM Procedures and Guidelines.
- The IRM furthermore processed six pre-cases during the reporting period. A pre-case is a communication from an external party to the IRM and information received by the IRM, that is registered in the Case Management System as a pre-case and may or may not mature into a complaint. A summary of such pre-cases received by the IRM is updated periodically and is available on the IRM website. The list available at the time of submission of this activity report was updated on 31 August 2024.
- The IRM has not received any requests from developing countries for reconsideration of funding proposals denied by the Board during the reporting period.
- The Head of the IRM serves on the Information Appeals Panel (IAP), established by the Board to consider appeals from requesters. The IAP is composed of the three heads of the independent Accountability Units: Independent Evaluation Unit (IEU), Independent Integrity

 $^{^5}$ The text for Complaint #1 is available at: $\frac{https://irm.greenclimate.fund/sites/default/files/case/complaint-text-c0009-redacted-egypt-redacted.pdf; and for Complaint #2 is available at:$

 $[\]underline{https://irm.greenclimate.fund/sites/default/files/case/complaint-c0009-egypt-complainant02-redacted.pdf}$

 $^{^6}$ The eligibility reports are available at: $\frac{https://irm.greenclimate.fund/sites/default/files/case/determination-eligiblity c0009.pdf and <math>https://irm.greenclimate.fund/sites/default/files/case/determination-eligiblity-c0009-complainant2.pdf$

⁷ The initial steps report is available at: https://irm.greenclimate.fund/sites/default/files/case/initial-steps-report-c-0009-egypt-final-web.pdf

⁸ Microsoft Word - IRM Case C0009 Final Problem Solving Conclusion Report (Community Complaint) web (greenclimate.fund)

⁹ https://irm.greenclimate.fund/sites/default/files/case/egypt.pdf

¹⁰ https://irm.greenclimate.fund/sites/default/files/case/compliance-appraisal-report-c0009-egy-jul12.pdf

¹¹ https://irm.greenclimate.fund/sites/default/files/case/irm-case-c0009-egy-compliance-appraisal-report-13sep2024.pdf

¹² The history of the IRM's pre-cases is available at: https://irm.greenclimate.fund/document/history-irm-pre-cases



Unit (IIU), and Independent Redress Mechanism (IRM). During the reporting period, the IRM supported the processing of an appeal filed in relation to an information disclosure request.¹³

IV. Providing advice

4.1 Providing advice

During the reporting period, the IRM continued to engage with the Secretariat on several matters. The IRM engaged in consultations with the Secretariat on policy items such as the Revised Accreditation Framework and the Risk Appetite Statement.

V. Capacity building of direct access entities' grievance mechanisms

5.1 Capacity building of direct access entities' grievance mechanisms

- In May and June, the IRM delivered basic virtual training on establishing and operating Grievance Redress Mechanisms (GRMs). Participants were required to attend 10 hours of virtual training and complete the IRM's online learning modules. 27 individuals from 12 DAEs successfully completed the training.¹⁴
- As previously reported, the IRM launched the Grievance Redress and Accountability Mechanism (GRAM) partnership in 2019 together with other relevant organisations, to offer leadership, a learning and knowledge platform, and a meeting space to an increasing number of GRAMs that are emerging in different spheres, particularly in DAEs. The 12th GRAM partnership webinar is scheduled for 9 September and will focus on the EU's new Corporate Sustainability Due Diligence Directive (CSDDD).¹⁵
- Following interactions with EAC and BC, the IRM is proactively seeking to identify opportunities for collaboration with other GCF independent units and the GCF Secretariat to increase the impact and cost-effectiveness of its capacity-building activities.

5.2 Independent Accountability Mechanisms Network (IAMnet)

The IRM remains active within the IAMnet community. The IRM is co-hosting the IAMnet annual meeting in Manila with the Asian Development Bank (ADB) from 1 to 4 October 2024, and preparations are well underway. ¹⁶

VI. Outreach

6.1 Communications strategy

¹³ Appeals | Green Climate Fund

¹⁴ For more on the virtual capacity building workshop: https://irm.greenclimate.fund/blog/irm-virtual-training-builds-capacity-gcf-daes

 $^{^{15}}$ For more on the 12^{th} GRAM partnership webinar: $\underline{\text{https://irm.greenclimate.fund/event/gram-webinar-}12-future-corporate-sustainability-csddd}$

¹⁶ IAMnet Teaser Final 19Sept2024 - YouTube



19. The IRM has continued to implement its existing strategies and undertook the following activities during the reporting period:

(a) Civil Society Outreach webinars:

- (i) **Africa**: On 14 August 2024, the IRM hosted a virtual outreach event, specifically focused on Africa, aiming to empower civil society organisations (CSOs) and communities by deepening their understanding of the IRM's role in addressing grievances related to Green Climate Fund (GCF) projects. The webinar was available in Arabic, English, and French.¹⁷
- (b) *Communications materials*: During the reporting period, the IRM published eight news items. ¹⁸ The IRM also released three episodes of its podcast, featuring interviews with participants from the joint capacity building and outreach workshop in Morocco. ¹⁹

VII. Budget utilisation for the reporting period

7.1 Budget utilisation from 1 May 2024 to 31 July 2024

Independent Redress Mechanism Unit Budget Utilization as of 31 July 2024 (in USD)

Budget Category	2024 Approved budget	Actuals	%
Staff, Consultants, Interns			
Full-time Staff*	1,362,207	637,009	46.76
Consultants&Interns	142,000	58,798	41.41
Sub-total	1,504,207	695,807	46.26
Travel			
General	72,000	31,437	43.66
Travel associated with complaints	65,000	15,720	24.18
Sub-total	137,000	47,157	34.42
Contractual services			
Professional Services	98,000	61,440	62.69
Other Operating Costs	71,000	34,991	49.28
Sub-total	169,000	96,431	57.06
TOTAL	1,810,207	839,395	46.37
Shared cost allocation	205,000	119,588	58.34
Grand Total	2,015,207	958,983	47.59

^{*}This includes USD 22,207, IRM's share of USD 1,741,000 approved by decision B.37/08 (g) for adjustment for the GCF salaries

¹⁷ For more on the Africa outreach webinar: https://irm.greenclimate.fund/blog/increasing-awareness-irm-civil-society-africa

¹⁸ Available at: https://irm.greenclimate.fund/news

¹⁹ Listen to the three podcast episodes: https://irm.greenclimate.fund/ep-10-12-redress-now-featuring-irms-morocco-workshop