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# Independent Redress Mechanism Work Plan and Budget for 2018

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## **Summary**

This document presents the 2018 work plan and budget of the Independent Redress Mechanism (IRM) of the GCF. The IRM is one of the three accountability mechanisms of the GCF and is mandated by its Governing Instrument. The Board has mandated the IRM to complete several tasks in 2018. This work plan seeks to give effect to the Board decisions concerning the IRM. The work plan has three components as follows:

- (a) Operate the IRM;
- (b) Develop procedures; and
- (c) Process complaints and requests for reconsideration of funding decisions.

A draft decision is presented in annex I for Board consideration.

## Executive Summary

1. 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 reports directly to the Board and is subject to the decisions of the Board. It is independent of the Secretariat of the GCF. The Board, at its sixth meeting, adopted terms of reference (TOR) of the IRM (see document GCF/B.06/06), which is being updated.
2. The terms of reference specify that the Board will consider and approve the annual work plan and budget of the IRM to be presented by the Head of the IRM. To give effect to Board decisions and implement the Board approved TOR, the IRM has developed the work plan for 2018 set out in annex II with a supporting budget for 2018 set out in annex III, and the Board is requested to consider and approve the same. A draft Board decision is set out in annex I.
3. A summary of the work of the IRM till August 2017 is set out in the document GCF/B.18/Inf.05 titled "Report on the activities of the Independent Redress Mechanism".
4. The work plan in annex II has three key components:
  - (a) Operate the IRM;
  - (b) Develop procedures; and
  - (c) Process complaints and requests for reconsideration of funding decisions.
5. The first component of operating the IRM, has eight sub-components. They are as follows:
  - (i) Staff and consultants: setting out the staffing and consulting resources needed by the IRM to implement the TOR;
  - (ii) Operating procedures (OPs) for the IRM: developing internal OPs based on the TOR, and the Procedures and Guidelines to be adopted by the Board;
  - (iii) Communications strategy: a strategy to (a) undertake stakeholder and public outreach and (b) implement the capacity building of redress mechanism of accredited direct access entities as mandated in the TOR;
  - (iv) Strengthening capacities of redress mechanisms of direct access AEs: providing for the development of training materials and workshops;
  - (v) Providing advice to the GCF Secretariat on new policies and revision of existing policies as mandated by the TOR;
  - (vi) Case management system (CMS): developing a CMS to process complaints and requests, and gather and analyse data needed for the IRM to perform its functions well;
  - (vii) Independent Accountability Mechanisms Network (IAMnet): continuing as an active member of IAMnet; and
  - (viii) Reports: developing and issuing reports to the Board, stakeholders and the public as mandated in the TOR.
6. The second component is developing procedures involves the presentation of draft Procedures and Guidelines to the Board for adoption as mandated in the TOR. The third component is processing complaints and requests for reconsideration of decisions denying funding.

## **Annex I: Draft decision of the Board**

The Board, having considered document GCF/B.18/14 titled “Independent Redress Mechanism Work Plan and Budget for 2018”:

- (a) Approves the work plan and budget of the Independent Redress Mechanism for 2018 as contained in annex II and III of document GCF/B.18/14 (total budgeted amount of US\$911,820).

## Annex II: Work Plan of the Independent Redress Mechanism

### I. Introduction

#### 1.1 Background

1. 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 Board, at its sixth meeting, adopted terms of reference of the IRM (see document GCF/B.06/06), which is being updated.

2. The terms of reference specify that the Board will consider and approve the annual work plan and budget of the IRM to be presented by the Head of the IRM.

3. To give effect to Board decisions and implement the Board approved terms of reference, the IRM has developed this work plan and budget for 2018, and the Board is requested to consider and approve the same.

#### 1.2 Implementation of the 2017 Work Plan

4. A summary of the work of the IRM till August 2017 is set out in document GCF/B.18/Inf.05 titled "Report on the activities of the Independent Redress Mechanism". As mandated by the Board in decision B.15/12, the IRM has consulted with the Ethics and Audit Committee (EAC) in the implementation of the 2017 work plan, reporting to it on a quarterly basis. This work plan and budget has also been developed in consultation with the EAC. The IRM will present its first Annual Report to the Board covering its work for 2017 in January 2018.

#### 1.3 Work plan and budget

5. In terms of the Board approved TOR, the IRM has developed this work plan and budget for presentation to the Board. The budget was developed in consultation with the Chief Financial Officer of the GCF Secretariat. The budget for 2018 will allow the IRM to implement the activities set out in this work plan. Depending on the complaints and reconsideration requests received by the IRM (which are unpredictable), the budget may need to be supplemented during the year. The budget is set out in annex III hereof.

#### 1.4 Key components of the 2018 Work Plan

6. The work plan is divided into three closely related components. Each component is essential for operating the IRM and ensuring that Board mandated tasks are completed in a timely and efficient fashion. A draft Board decision is suggested in annex I. A supporting budget is provided in annex III. The three main components of the work plan are as follows:

- (a) Operate the IRM;
- (b) Develop Procedures; and

- (c) Process Complaints and Reconsideration Requests
- 7. Each of these tasks is explained in more detail below.

## II. Operate the IRM

### 2.1 Staff and consultants

8. The IRM is led by the Head of the IRM. It is now staffed by a Compliance and Dispute Resolution Specialist (IS3), and a Team Assistant (who may also be designated as the Registrar of the IRM) (AS3). No staffing changes are envisaged in 2018, unless the case load increases significantly. The IRM also recruited two senior level Advisors as consultants to support the work of the IRM. The IRM expects the Advisors will continue their work through August 2018, and the IRM will contract other consultants as needed for effective management of cases.

### 2.2 Operating procedures (OPs) for the IRM

9. The IRM will develop internal operating procedures (OPs), to efficiently and effectively implement the TOR and the Procedures and Guidelines of the IRM adopted by the Board.

### 2.3 Communications strategy

10. The IRM has developed an initial communications strategy to effectively implement the TOR. The implementation of the strategy has budgetary implications. The strategy will help achieve the following TOR mandated tasks systematically and efficiently:

- (a) Share lessons learned from cases that are handled by the IRM;
- (b) Share best practices with the GCF and with direct access accredited entities and strengthen the capacity of grievance redress mechanisms of such entities, as appropriate; and
- (c) Provide outreach and education to relevant stakeholders and the public.

### 2.4 Strengthening capacities of redress mechanisms of direct access AEs

11. Under the TOR, the IRM is mandated to share best practices and give guidance that can be helpful for strengthening of capacities of the accountability/redress mechanisms of direct access accredited entities. The IRM is developing a programme for strengthening redress mechanisms of direct access entities who need such assistance. Based on a survey of such mechanisms and their capacities, the IRM will assess their needs and offer assistance by way of training workshops, manuals and advice.

### 2.5 Providing advice

12. The IRM has provided the Secretariat with feedback on improving the draft environmental and social management system (ESMS), the draft update to the gender policy and the draft indigenous peoples' policy. Additionally, the IRM has provided advice on improving aspects of the accreditation process regarding the evaluation of grievance mechanisms of candidate accredited entities and on the redress mechanism related provisions of accreditation master agreements. The IRM will continue these advisory services in 2018.

## 2.6 Case management system (CMS)

13. The IRM needs a case management system (CMS) to systematically, consistently and timely process complaints and reconsideration requests received by it. A CMS is also needed to collect and analyse data related to such complaints and reconsideration requests so that the IRM's capacity building activities for accredited entities and advice to the GCF based on lessons learned are well grounded. The best practice is to establish a CMS to accomplish these goals.

14. The CMS should be able to capture and analyse data on complaints and reconsideration requests received by the IRM for use in:

- (a) Managing such complaints and reconsideration requests in accordance with the Procedures and Guidelines;
- (b) Identifying trends and distilling lessons learned with a view to providing advice to the GCF for improved performance of its activities;
- (c) Understanding complaints relating to GCF funded projects that are managed by the AEs' grievance mechanisms and how the IRM can add value to them; and
- (d) Future planning and improvement of the IRM.

15. Although several off-the-shelf CMS products exist, none are designed to follow the logic of independent grievance mechanisms. Experience from other institutions -specifically the IFC, IADB and UNDP- shows that the time and cost needed to adapt an off-the-shelf system to follow the grievance mechanisms case handling logic and to integrate it with the data systems of the institution, are almost as high as custom building a system while yielding a less than ideal product. Based on these lessons, and as a first step, the IRM is working with the ICT Department of the GCF Secretariat to develop a simplified version of the CMS to track data and pilot the structure and the data requirements. The IRM is seeking budgetary support for building on the pilot and establishing a comprehensive and robust CMS in 2018. Ensuring that a sound CMS is in place before cases are filed will allow the GCF to get ahead of the curve, rather than facing innumerable challenges faced by other mechanisms in attempting to retrofit a CMS later.

## 2.7 Independent Accountability Mechanisms Network

16. With Board approval, the IRM joined the Independent Accountability Mechanisms Network (IAMnet) in February 2017. IAMnet is a community of practice in this area. There are over 40 accountability mechanisms of international financial institutions and funds, and a significant number of the independent redress mechanisms of the current accredited entities are members of this network. The IRM will continue to actively participate in IAMnet, including attending its annual meeting and serving on working groups.

## 2.8 Reports

17. The TOR requires the IRM to publish an annual report for dissemination to the public. Additionally, the TOR envisages periodic reports from the IRM to the Board. Furthermore, the GCF is expected to report to the UNFCCC, among other things, about the work of the IRM. The IRM will prepare all the aforesaid reports in a timely and appropriate manner. Public reports will be published on the IRM's webpage and will also be made available through other appropriate means.

### **III. Develop Procedures**

#### **3.1 Procedures and guidelines**

18. The Board, by decision B.13/24, requested the Head of the IRM to prepare, with the support of the Secretariat, for consideration by the Board, procedures and guidelines for the IRM (decision B.06/09, annex V, para. 14 (document GCF/B.06/18, annex V, para. 14)) “in close consultation with similar or equivalent mechanisms of accredited entities and other stakeholders”. The IRM is giving effect to this decision. The draft procedures will be presented to the Board for adoption.

### **IV. Process Complaints and Reconsideration Requests**

#### **4.1 Complaints and Requests**

19. The IRM is now operational and able to process (a) complaints from persons adversely affected by GCF funded projects, and (b) requests from developing countries for reconsideration of funding denied by the Board. So far it has not received any complaints or requests.



## Annex III: Budget for 2018

Independent Redress Mechanism Unit BUDGET 2018		
		2018 Budget
<b>4.1</b>	<b>Salaries and consultants</b>	
4.1.1	Full-time staff	574,820
4.1.2	Consultancies	134,000
	<b>Sub-total: Salaries &amp; consultants</b>	<b>708,820</b>
<b>4.2</b>	<b>Travel</b>	
4.2.1	Staff Travel	30,000
4.2.2	Travel Associated with complaints/requests	48,000
	<b>Sub-total: Travel</b>	<b>78,000</b>
<b>4.3</b>	<b>Professional services</b>	
4.3.1	Case Management System	100,000
4.3.2	Operating costs including outreach/CB materials	25,000
	<b>Sub-total: Professional services</b>	<b>125,000</b>
	<b>Grand total (1+2+3)</b>	<b>911,820</b>

Notes:

4.1.2 A sum of \$80,000 has been earmarked for two part-time consultants (Advisors) to assist the IRM with developing Procedures and Guidelines and internal Operating Procedures (till August 2018). A sum of 54,000 has been earmarked for consultants (subject experts and mediators) required for processing complaints and reconsideration requests received by the IRM. The number of requests and complaints that may be received in 2018 is unpredictable. For the purposes of this budget it has been assumed that the IRM may receive 3 cases in 2018 with a geographical spread in Africa, Latin America and Asia.

4.2.1 Staff travel includes IRM staff attending one Board meeting to be held outside of Songdo, the annual meeting of IAMnet and one workshop for grievance redress mechanisms of direct access entities.

4.2.2 IRM staff and consultant travels associated with 3 potential complaints and reconsideration requests that may be received by the IRM in 2018. Travel for each case has been budgeted on the basis that the Staff of the IRM and one expert mediator/consultant will need to travel to the project country once during problem solving and once during investigation in each such case.

4.3.1 Professional services include the estimated cost for the establishment of a custom-built case management system (100,000US\$) and the production of outreach and capacity building materials (25,000\$). Such materials will be used for outreach to stakeholders and the public and for capacity building for the grievance mechanisms of direct access entities.