



**GREEN
CLIMATE
FUND**

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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 3 October 2017 to 5 February 2018. The document summarizes the activities of the IRM based on the work plan and budget of the IRM adopted by the Board at its fifteenth meeting.

I. Introduction

1.1 Background

1. The Independent Redress Mechanism (IRM) is mandated in paragraph 69 of the GCF's Governing Instrument. This para 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 Independent Redress Mechanism (IRM) reports directly to the Board and is subject to the decisions of the Board. It is independent of the Secretariat of the GCF.

2. The report on the activities of the Independent Redress Mechanism (IRM) provides an update on the progress made by the IRM. The report covers key priority initiatives identified in the Work Plan of the IRM, approved by the Board at B.15.¹ The reporting period is from 3 October 2017 to 5 February 2018.

3. The work plan of the IRM identified four overarching goals to help to guide the work of the IRM for 2017:

- (a) Establish the IRMU;
- (b) Develop an updated TOR and procedures and guidelines;
- (c) Collaborate in the development of the GCF's safeguard policies and performance standards; and
- (d) Handle complaints and requests for reconsideration of funding decisions.

II. Activities of the IRM during the reporting period

2.1 Progress on establishing the IRM

4. **The implementation of the work plan and budget:** The Board requested the IRM to consult with the Ethics and Audit Committee (EAC) on the implementation of its work plan, as appropriate. As decided by the EAC, quarterly reports were submitted by the IRM to the EAC regarding its work and the EAC provided valuable feedback.

5. **Staffing the IRM:** The IRM is now fully staffed with three full time staff members, the Head of the IRM (appointed by the Board), a Compliance and Dispute Resolution Specialist and a Team Assistant. No further additions to staffing are envisaged in 2017 or 2018. Two Advisors were contracted as limited term consultants in 2017 and 2018 to support the development of the IRM's procedures and guidelines and internal operating procedures.

6. **Web Page of the IRM and communications strategy:** The interim webpage of the IRM may be accessed at <http://www.greenclimate.fund/independent-redress-mechanism>. A more comprehensive website for the IRM will be developed in 2018. The IRM has also developed a communications strategy to effectively fulfil its Board mandate, including capacity building for the grievance redress mechanisms of direct access entities and outreach to stakeholders and the public.

7. **Joining the IAMnet:** The IRM was admitted as a full member of Independent Accountability Mechanism Network (IAMnet) in February 2017. During the period under

¹ Decision B.15/12.

review, the IRM received a visit from the Office of the Compliance Review Panel of the Asian Development Bank and issues of mutual interest were discussed.

8. **Case Management System:** The IRM, together with the ICT Department of the GCF Secretariat is developing the rudiments of a case management system (CMS) for the IRM. A custom-built CMS will need to be developed for the IRM in 2018 and budget support has been sought from the Board for the same. The CMS enables the IRM to efficiently, effectively and timely manage complaints and reconsideration requests received by it and analyse data relating to such cases so as to provide advice to the GCF secretariat and the grievance mechanism of direct access entities based on the IRM's work.

9. **Cooperation with AEs' redress mechanisms:** The IRM has developed a draft Memorandum of Cooperation (MoC) to be entered into with redress mechanisms of accredited entities. Such a cooperative agreement is envisaged under the IRM's TOR as well as under the AMAs. The draft MoC has been shared with several grievance mechanisms of AEs and is currently under consideration by them.

2.2 Progress on developing an updated TOR and detailed procedures and guidelines

10. **Updating the TOR:** The updated terms of reference of the IRM was adopted by the Board on 25 September 2017 (See document Board Decision B.BM-2017/10)

11. **Procedures and Guidelines:** Draft procedures and guidelines (PGs) have been drafted and were presented to the EAC in mid-August 2017. They will also be put through consultations with Board members, AEs, NDAs and civil society, before being presented to the Board for adoption. Internal operating procedures (OPs) to facilitate implementation of the updated TOR and the procedures and guidelines have been drafted by the IRM and will be piloted and revised as needed, before being implemented.

2.3 Progress on collaborating in the development of the GCF's safeguard policies and performance standards

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 on an ongoing basis.

2.4 Progress on handling complaints and requests for reconsideration of funding decisions

13. During the period under review, the IRM received one complaint from Bangladesh, which after initial assessment was declared ineligible. The IRM has not received any requests for reconsideration of funding proposals denied by the Board.

III. Budget utilization for the reporting period

14. The IRM's Board approved 2017 budget was a start-up budget. Additionally, the Board approved only a staff budget for 2018 pending its consideration of the Work Plan and Budget of the IRM for 2018 at B.19. The utilization of the 2017 budget till 31 Dec 2017 is shown below:

Independent Redress Mechanism Unit BUDGET 2017					
		2017 Approved Budget	Actual expenditures to 31 December	Balance	% spent
4.1	Salaries and consultants				
4.1.1	Full-time staff (1)	722,791	424,676	298,115	59%
4.1.2	Consultancies	163,350	154,257	9,093	94%
	Sub-total: Salaries & consultants	886,141	578,933	307,208	65%
4.2	Travel				
4.2.1	Travel (2)	93,000	45,073	47,927	48%
	Sub-total: Travel	93,000	45,073	47,927	48%
4.3	Professional services				
4.3.1	Operating costs	20,000	552	19,448	3%
	Sub-total: Professional services	20,000	552	19,448	3%
	Grand total (1+2+3)	999,141	624,558	374,583	63%

Notes

(1) The two full time staff members of the IRM were recruited in July and August 2017 despite the process having been commenced in December 2016. Hence the underutilization of budgeted salary for 2017.

(2) The Travel budget was utilized for staff travel on IRM official business including attending the Board meeting in Samoa and participating in the annual meeting of the IAMnet, and for consultant travels to develop the Procedures and Guidelines and internal Operating Procedures.