

**GREEN
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Meeting of the Board
12 – 14 November 2019
Songdo, Incheon, Republic of Korea
Provisional agenda item 13(c)

GCF/B.24/03/Rev.01

11 November 2019

Independent Redress Mechanism Work Plan and Budget for 2020

Summary

This document presents the 2020 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. This work plan seeks to give effect to the Board decisions concerning the IRM. The work plan has five components as follows:

- (i) Operate the IRM;
- (ii) Address requests for reconsideration of funding decisions and complaints from GCF project affected people;
- (iii) Provide advice;
- (iv) Develop the capacity of grievance redress mechanisms of DAEs; and
- (v) Conduct outreach.

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 "...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 adopted an updated terms of reference (TOR) of the IRM on 25 September 2017 (decision B.BM-2017/10).
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. The IRM has developed the work plan for 2020 set out in annex II with a supporting budget for 2020 set out in annex III, and the Board is requested to consider and approve the same. The work plan and budget for 2020 was considered and approved by the Ethics and Audit Committee of the Board on 4 September 2019 as required by the terms of reference of the IRM and has also been considered and approved by the Budget Committee of the Board on 15 October 2019 (endorsement certificates are attached as annex IV and V respectively). A draft Board decision is set out in annex I.
3. Summaries of the work of the IRM, together with details of budget utilisation, from January to September 2019 have been provided to the Board in two documents titled "Report on the activities of the Independent Redress Mechanism" dated 12 June 2019 (document GCF/B.23/Inf.03) and 15 October 2019 (document GCF/B.24/Inf.02).
4. The work plan in annex II has five key components:
 - (i) Operate the IRM;
 - (ii) Address requests from developing countries for reconsideration of funding decisions and complaints from GCF project affected people;
 - (iii) Provide advice;
 - (iv) Develop the capacity of grievance redress mechanisms of Direct Access Entities (DAEs); and
 - (v) Conduct outreach.
5. The first component of operating the IRM, has five 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) **Supporting Operating Procedures (SOPs) for the IRM:** piloting and finalising the internal SOPs based on the TOR and the Procedures and Guidelines (PGs) adopted by the Board;
 - (iii) **Case management system (CMS):** Managing the CMS to process complaints and requests, and gathering and analysing data needed for the IRM to perform its functions well;
 - (iv) **Independent Accountability Mechanisms Network (IAMnet):** continuing as an active member of IAMnet; and
 - (v) **Reports:** developing and issuing reports to the Board, stakeholders and the public as mandated in the TOR and PGs.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.24/03/Rev.01 titled “Independent Redress Mechanism Work Plan and Budget for 2020”:

Approves the work plan and budget of the Independent Redress Mechanism for 2020 as contained in annexes II and III respectively for the total budgeted amount of USD 1,321,238.

Annex II: 2020 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 IRM's mandate is contained in the updated terms of reference adopted by the Board on 25 September 2017 (decision B.BM-2017/10).
2. The updated TOR of the IRM tasks the IRM with the following activities:
 - (a) **Reconsideration requests:** Addressing requests from developing countries for reconsideration of Board decisions denying funding to a project or programme;
 - (b) **Complaints and Grievances:** Addressing complaints and grievances from persons adversely impacted by projects or programmes of the GCF;
 - (c) **Advisory:** Recommending reconsideration of GCF policies, procedures, guidelines and systems based on lessons learned from cases handled by the IRM and from good international practice; providing guidance to the GCF's readiness and accreditation activities based on best practices;
 - (d) **Capacity building:** strengthening the capacities of accountability and redress mechanisms of direct access entities; and
 - (e) **Outreach:** Providing education and outreach to increase awareness of its role and work to stakeholders, the public and staff of the GCF.
3. The terms of reference specify that "to ensure the financial independence of the IRM, the Head of the IRM will propose a work plan, and budget for meeting the annual expenses and the Board will consider and approve this work plan and budget." The terms of reference also state that the annual work plan and budget shall be submitted to the Board through the Ethics and Audit Committee (EAC).
4. The IRM developed this work plan and budget for 2020 to give effect to Board decisions and implement the Board approved terms of reference. This work plan and budget was submitted to, and approved by, the EAC on 4 September 2019. Subsequently, the Budget Committee of the Board also considered and approved the work plan and budget for 2020 on 15 October 2019 (endorsement certificates for the EAC and Budget Committee are attached as annex IV and V respectively). The Board is requested to consider and approve the same.

1.2 Implementation of the 2019 Work Plan

5. As mandated by the Board in paragraph 6 of the IRM's Terms of Reference (decision B.BM-2017/10), the IRM has consulted with the Ethics and Audit Committee (EAC) in the implementation of the 2019 work plan, reporting to it on a quarterly basis. Summaries of the work of the IRM from January to September 2019 have been provided to the Board in two documents titled "Report on the activities of the Independent Redress Mechanism" 12 June 2019 (GCF/B.23/Inf.03) and 15 October 2019 (GCF/B.24/Inf.02).

1.3 Work plan and budget

6. The budget for 2020 will allow the IRM to implement the activities set out in this work plan. The budget was developed in consultation with the Chief Financial Officer of the GCF Secretariat. 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 2020 Work Plan

7. The work plan is divided into six 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. The five main components of the work plan are as follows:

- (i) Operate the IRM;
- (ii) Address requests from developing countries for reconsideration of funding decisions and complaints from GCF project affected people;
- (iii) Provide advice;
- (iv) Develop the capacity of grievance redress mechanisms of DAEs; and
- (v) Conduct outreach.

8. Each of these tasks is explained in more detail below.

II. Operate the IRM

2.1 Staff and consultants

9. The IRM is led by the Head of the IRM. It is now staffed by a Compliance and Dispute Resolution Specialist, and the Registrar of the IRM. No staffing changes are envisaged in 2020.

10. The IRM has constituted three rosters of subject experts, translators and mediators on an open competitive basis. There are at present 19 subject experts, 16 mediators and 45 translators on the three IRM rosters. Should the IRM need such services, they may be drawn from the rostered consultants on a financially competitive basis. Additionally, the IRM provides an opportunity for four interns through the year to assist in the IRM's work.

2.2 Supporting operating procedures (SOPs) for the IRM

11. The IRM developed and commenced piloting draft supporting operating procedures (SoPs) in early 2018, to guide IRM staff in efficiently and effectively implementing the TOR and the Procedures and Guidelines of the IRM that were adopted by the Board at B.22 in February 2019. The SoPs will continue to be pilot tested in 2020 and finalized in the course of the year.

2.3 Case management system (CMS)

12. The IRM has acquired a custom-tailored case management system (CMS) in 2018-2019 through an open competitive process. The CMS allows the IRM to systematically, consistently and timely process complaints and reconsideration requests received by it. Additionally, the

CMS is also used by the Independent Units to register and process appeals under the Information Disclosure Policy of the GCF. The 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 CMS needs to be maintained by the software vendor and a budgetary allocation is sought to support the same, along with a budgetary allocation for possible change requests (i.e. changes to the system that are outside of the scope of the 2018 contract, but which are deemed necessary once the CMS becomes operational).

2.4 Independent Accountability Mechanisms Network

13. 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 to develop good practices, collaborate on outreach activities, and implement governance reforms. The IAMnet meets in-person once a year for a three-day annual meeting. In 2020, the IAMnet annual meeting will be held in Washington, DC.

2.5 Reports

14. The TOR requires the IRM to publish an annual report for dissemination to the public. Such a report was published for 2017 in January 2018, and for 2018 in February 2019. A similar report will be published for 2019 in January 2020. Additionally, the TOR envisages periodic activity reports from the IRM to the Board. Furthermore, the GCF Board 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 website and will also be made available through other appropriate means.

III. Address reconsideration requests and complaints

3.1 Requests and complaints

15. The IRM is now operational and able to process (a) *requests* from developing countries for reconsideration of funding denied by the Board, and (b) *complaints* from persons adversely affected by GCF funded projects or programmes. In 2017, the IRM received one complaint from Transparency International Bangladesh (an NGO) which was declared ineligible. In 2018 the IRM did not receive any *complaints* but received one *request* from Argentina for reconsideration of a funding decision denying funding by the Board (later withdrawn). In 2018-2019 the IRM also processed a self-initiated investigation relating to a project in Peru which resulted in the Secretariat providing undertakings to take various remedial measures. The IRM aims to monitor and close this case. However, in the event that the agreed undertakings by the GCF Secretariat are not implemented satisfactorily, the IRM retains the option to further investigate and to treat the information received in this case as an eligible complaint.

16. While it is not possible to predict how many complaints or requests will be filed in any given year, for purposes of planning and budgeting, the IRM estimated the possibility of three cases each being filed in 2018 and 2019. For 2020, budgetary provision is sought on a similar estimated basis.

IV. Providing advice

17. The IRM is mandated to provide the Board and the GCF Secretariat with advice on changes to policies, procedures, and systems of the GCF based on lessons learned either from cases handled by it or from international best practices. The IRM drafted two advisory reports in 2019 for presentation to the Board and the Secretariat with recommendations, as appropriate. The IRM will prepare, as appropriate, advisory reports in 2020 for presentation to the Board. The IRM also works collaboratively with the other two Independent Units and the Secretariat to provide advice and feedback on a range of policy documents.

V. Develop the capacity of grievance redress mechanisms of DAEs

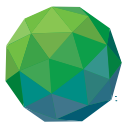
18. Under the TOR, the IRM is mandated to share best practices and give guidance that can be helpful for strengthening of capacities of the accountability/redress mechanisms of direct access accredited entities. In 2018, the IRM developed capacity building activities for strengthening redress mechanisms of direct access entities who need such assistance. In October 2019, the IRM conducted a workshop in Songdo for the staff of grievance redress mechanism of direct access entities. Additionally, with the help of a consultant, the IRM is developing online and in-person training materials for the personnel of grievance redress and accountability mechanisms of direct access entities.

19. In 2020, the IRM plans to conduct a three-day training workshop for approximately thirty participants of key grievance redress mechanism personnel of direct access entities using the learning materials that have been developed. Utilizing the knowledge platform that the Secretariat is implementing, the IRM will upload the online learning modules to the platform and make it available to such personnel and the public. Additionally, the IRM will hold clinics and participate in the Global Programming Conference and the Global Private Sector Conference in Songdo conducted by the GCF Secretariat targeting NDAs and AE as well as Accredited Observers.

VI. Conduct outreach

20. The IRM has developed and is implementing a communications strategy to give effect to its mandate to conduct outreach to key stakeholders. 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, as appropriate; and
- (c) Provide outreach and education to relevant stakeholders and the public through workshops and disseminate information in user-friendly formats. The IRM plans to host one outreach event on its own in 2020, and to contribute to and participate in three outreach events led by other accountability mechanisms and civil society organisations.



Annex III: Budget for 2020

This work plan and budget was submitted to, and approved by, the EAC on 4 September 2019. Subsequently, the Budget Committee of the Board also considered and approved the work plan and budget for 2020 on 15 October 2019.

	Cost Category and Sub-Category	2020 Draft	2019 Approved	Change
3.1	Staff and Consultants	896,713	849,680	6%
3.1.1	Full-Time Staff	759,893	728,680	4%
3.1.2	Consultancies	136,820	121,000	13%
3.2	Travel	151,593	163,990	-8%
3.2.1	General	56,433	95,140	-41%
3.2.2	Travel associated with complaints	95,160	68,850	38%
3.3	Contractual Services	272,932	147,450	85%
3.3.1	Professional Services	45,240	-	100%
3.3.2	Other Operating Costs	196,692	147,550	33%
3.3.3	Information Communication and Technology	31,000	-	100%
	Grand Total	1,321,238	1,161,120	14%

Notes:

Staff & Consultants – This component represents three full time staff members and two full time interns.

Time Sheet Consultants - The number of requests and complaints that may be received in 2020 is unpredictable. For the purposes of this budget it has been assumed (as in 2018 and 2019) that the IRM may receive 3 cases in 2020 with a geographical spread in Africa, Latin America and Asia. The basis of the estimate for 2020 is similar to that of the 2019 budget. These costs include hiring of subject experts, mediators and translators as well as travel.

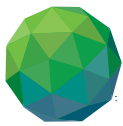
Travel – Travel component includes staff travel and consultant travel. Staff travel includes IRM staff attending one Board meeting to be held outside of Songdo, the annual meeting of IAMnet (which includes a civil society outreach day), participation in 2 outreach events conducted for civil society organizations one of which will be led by another accountability mechanism, hosting of one civil society outreach event, and one capacity building workshop for grievance redress mechanisms of Direct Access Entities.

IRM staff and consultant travels associated with 3 potential complaints and reconsideration requests that may be received by the IRM in 2020. Travel for each case has been budgeted on the basis that the Staff of the IRM and one expert and/or one mediator will need to travel to the project country once during problem solving, once during investigation in each such case and once during post-decisional monitoring.

Professional Service – Professional Services include maintenance of the Case Management System, a website upgrade, and publication and design of materials for capacity development and outreach workshops.

Other Operating Costs – Other Operating Costs includes costs of travel and accommodation for workshop and outreach event participants, and catering.

Information Communication and Technology - ICT Chargeback Costs to Independent Units payable to the GCF Secretariat



Output based budget details:

Output	Output Description/Budget Categories	Total Budget Amount
01	01-Addressing requests from developing countries for reconsideration of Board decisions denying funding to a project or programme	177,321
01	Full-time Staff	169,791
01	Consultants	7,530
01	Travel	-
01	Professional Services	-
01	Other Operating Costs	-
02	02-Addressing complaints and grievances from persons adversely impacted by projects or programmes of the GCF	420,943
02	Full-time Staff	189,253
02	Consultants	88,530
02	Travel	95,160
02	Professional Services	30,000
02	Other Operating Costs	18,000
03	03-Providing lessons learned and advisory reports to the Board and GCF Secretariat	133,154
03	Full-time Staff	124,436
03	Consultants	8,718
03	Travel	-
03	Professional Services	-
03	Other Operating Costs	-
04	04-Strengthening the capacities of accountability and redress mechanisms of direct access entities	231,474
04	Full-time Staff	135,816
04	Consultants	24,518
04	Travel	-
04	Professional Services	1,500
04	Other Operating Costs	69,640
05	05-Providing education and outreach to increase awareness of its role and work to stakeholders, the public and staff of the GCF	239,967
05	Full-time Staff	140,598
05	Consultants	7,524
05	Travel	28,053
05	Professional Services	13,740
05	Other Operating Costs	50,052
06	06-Cross cutting - all outputs	118,380
06	Full-time Staff	-
06	Consultants	-
06	Travel	28,380
06	Professional Services	-
06	Other Operating Costs	90,000
Total		1,321,238



Annex IV: Ethics and Audit Committee endorsement

Dear Jos and Nagmeldin,

The Work Plan and Budget of the IRM for 2020 is being submitted for Board approval.

In accordance with the terms of reference of the IRM, adopted pursuant to decision B.BM-2017/10, the Head of the IRM is mandated to submit the IRM's annual workplan and budget to the Board through the EAC.

The Work Plan and Budget of the IRM for 2020 was endorsed by the Ethics and Audit Committee on 4 September 2019 for submission to the Board at B.24.

As the Ethics and Audit Committee Chairperson, I request that it be transmitted to the Board for consideration at its twenty-fourth meeting.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Stefan Schwager'.

Stefan Schwager
Chair, Ethics and Audit Committee

Beane, 2019-10-15



Annex V: Budget Committee endorsement

Allenisheo Lalanath Mark de Silva

From: Delgado Jiménez, José Gabriel [REDACTED]
Sent: Wednesday, October 16, 2019 5:34 PM
To: j-wheatley; Sudan1; [REDACTED]
Cc: [REDACTED] Allenisheo Lalanath Mark de Silva
Subject: Endorsement of WP and Budget of the IRM (revised version presented on October 15, 2019)

Dear Jos and Nagmeldin,

in line with the terms of reference of the Budget Committee, I hereby confirm that the draft work plan and budget of the IRM for the year 2020 were endorsed by the Budget Committee on October 15, 2019, for subsequent submission to the Board and consideration at B.24.

All the best,

Jose
