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# Annual Implementation Report on the Policy on the Protection of Whistleblowers and Witnesses

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## **Summary**

This document contains the Annual Implementation Report on the Policy on the Protection of Whistleblowers and Witnesses (decision B.BM-2018/21). This report explains how the Policy has been carried out during its first year of implementation in 2019 with a view to identifying what worked well and what could be strengthened to ensure policy effectiveness.

## Executive Summary

Adopted in December 2018, the Green Climate Fund's *Policy on the Protection of Whistleblowers and Witnesses* (hereinafter, "the Policy") aims to empower GCF internal and external stakeholders to report suspicions of Wrongdoing in good faith and without fear of retaliation. It serves to promote institutional accountability and to aid the GCF in safeguarding its interests, resources, and mission by detecting and mitigating financial and reputational risks as early as possible. In practical terms, it establishes channels for reporting suspected Wrongdoing and protection against retaliation for Whistleblowers and Witnesses based on international best practices.

This report explains how the Policy has been executed during its first year of implementation in 2019 with a view to identifying what worked well and what could be strengthened to ensure policy effectiveness.<sup>1</sup> It begins by providing an overview of the main policy provisions and by explaining the roles of the Independent Integrity Unit (IIU), the Ethics and Audit Committee (EAC), the Independent Redress Mechanism (IRM), the Executive Director (ED), and the Secretariat in implementing the Policy. The report then reviews each principal section of the Policy assessing whether policy provisions were implemented and how they were implemented. In the event that policy provisions were not implemented, the report seeks to provide an explanation. In preparing the report, IIU consulted with the EAC, the IRM, the GCF Secretariat, and the GCF Staff Council to provide input regarding any actions they each took to implement the Policy.

Overall, reporting activity by GCF Personnel on matters concerning GCF Personnel increased in 2019 from the previous year. This increase may be attributable to internal efforts to clarify and raise awareness of channels for reporting suspected Wrongdoing and of available protection and procedural safeguards for Whistleblowers and Witnesses, as well as to numerous training and capacity building exercises carried out during 2019. Reporting activity by Counterparties and third parties or external Whistleblowers was however minimal, suggesting that there may have been no incidences of suspected Wrongdoing, that Counterparties may be unclear about their reporting obligations, and/or that greater awareness of and access to available reporting channels and Whistleblower and Witness protection may be needed by GCF funded activity stakeholders and affected communities. Going forward, it will be important to strengthen Counterparties to have effective Whistleblower and Witness protection policies and practices and reporting mechanisms that are easily accessible and available in the local languages of concerned groups or communities in GCF funded activities. Updating the *Fiduciary Principles and Standards of the GCF* to reflect obligations set out in the Policy provides an appropriate opportunity to move in that direction.

Despite several reports alleging retaliation against Whistleblowers made by GCF Staff, no actual incidence of retaliation was substantiated through IIU investigations. Nevertheless, the IIU assessed that all reports were made in good faith, based on reasonable belief, and none were false or malicious. Interim protection was promptly provided by the Executive Director and the GCF Secretariat to Whistleblowers upon their request and upon IIU's recommendation. Going forward, Covered Individuals (GCF Personnel, Board-Appointed Officials, External Members of Groups and Panels, Board and Alternate Board Members and their Advisers) will benefit by gaining more practical information on procedural matters such as how to establish or refute an allegation of retaliation and what type of interim protection or remedy may be feasible within the legal framework of GCF.

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<sup>1</sup> This purpose is distinguished from the comprehensive triennial report by the Ethics and Audit Committee which aims to evaluate and recommend changes to the Policy.

## I. Policy Overview

1. The *Policy on the Protection of Whistleblowers and Witnesses* (hereinafter, the “Policy”) was adopted by the Board of the Green Climate Fund (GCF) in decision B.BM-2018/21 and became effective as of 21 December 2018. The Policy aims to empower persons to report to the GCF suspicions of Wrongdoing<sup>2</sup> in good faith and without fear of retaliation. As such, it serves the dual purposes of protecting Whistleblowers<sup>3</sup> and Witnesses<sup>4</sup> and of protecting the interests, resources, and mission of the GCF by enabling it to mitigate risks and remedy Wrongdoing as early as possible. In doing so, it establishes provisions for the reporting and investigation of suspected Wrongdoing (section VI) and retaliation (section VII), for cooperation with investigations (section VIII), for external reporting (or reporting suspected Wrongdoing to an institution beyond the GCF) (section X), and for procedural safeguards to be observed throughout investigation and disciplinary processes (section XI). The Policy further sets out a range of protections and remedies for Whistleblowers and Witnesses which include fundamental safeguards for confidentiality and anonymity from the outset of any report (section IX).

2. To catalyse its effectiveness, the Policy obligates the Independent Integrity Unit (IIU) to communicate the Policy widely, to ensure accessible channels for reporting, to undertake capacity-building actions including integrity training and peer-to-peer best-practice sharing, and to establish stakeholder cooperation within and outside the GCF (Section XII). Overall, in assuming responsibility for implementing the Policy, the IIU must collaborate with the Secretariat to advise and ensure that GCF Counterparties have effective whistleblowing and Witness protection policies and practices in place and that these and other relevant obligations set out above are provided for in the contractual agreements between the GCF and Counterparties (Section XIII, para. 70).

3. Finally, the Policy requires that IIU report annually on the implementation of the Policy in consultation with the Executive Director for information, who shall have the possibility to provide comments for consideration by the IIU and the Board (Section XIII, para. 70). In line with this Policy obligation, this first annual report to the GCF Board concerns the implementation of the Policy pursuant for the period January to December 2019.

4. The primary objectives of the report are to explain what actions have been undertaken by the GCF to implement the provisions in the Policy and to identify areas where the GCF could strengthen its efforts to better implement the Policy. The GCF Secretariat, the Independent Redress Mechanism (IRM), and the Staff Council were consulted in the preparation of this report. The findings and observations provided at the conclusion of this report summarise what has been done and what could be improved to achieve efficient and effective implementation of the Policy. However, this report does not provide any recommendations for Policy modifications as such responsibility is assigned to the Ethics and Audit Committee (EAC) of the Board every three years consistent with paragraph 74 of the Policy.

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<sup>2</sup> Policy on the Protection of Whistleblowers and Witnesses, para. 5(s): “Wrongdoing” means conduct that violates GCF policies or which involves significant risk to the GCF because it is harmful to its interests, reputation, operations, or governance. Wrongdoing includes but is not limited to Misconduct, Prohibited Practices, and Conflicts of Interest.

<sup>3</sup> Id., para. 5(r): “Whistleblower” is any person or entity, who, in good faith and on reasonable grounds, reports, attempts to report, is believed to be about to report, or is believed to have reported suspected Wrongdoing (including concerns of suspected Wrongdoing).

<sup>4</sup> Id., para. 5(t): “Witness” means any person or entity who cooperates in good faith, or is believed to be about to cooperate, or is believed to have cooperated with an investigation and provided information or evidence.

## II. Policy Implementation Responsibilities within the GCF

5. Within the GCF, a number of offices, units, and executive bodies are expected to carry out specific functions and contribute to the overall operationalisation of the Policy.

### 2.1 Independent Integrity Unit

6. The IIU is charged with ensuring and reporting annually on the Policy's effective implementation. In accordance with its mandate, the IIU receives and investigates reports of suspected Wrongdoing, including allegations of retaliation against Whistleblowers and Witnesses broadly – except for specific categories of persons who engage directly with the EAC (see below). The Unit must ensure that Whistleblowers, Witnesses, and their close family members and associates are protected against retaliation by ensuring confidentiality and anonymity and may recommend that the GCF take protective measures and/or remedies. On the preventative side, the IIU also works to raise awareness and build capacities of stakeholders to report suspected wrongdoing without fear of retaliation.

### 2.2 Ethics and Audit Committee

7. The EAC Chair is charged with receiving and handling reports of suspected Wrongdoing regarding a Co-Chair, Board Member, Alternate Board Member, Adviser, the Executive Director, the Head of the IIU, or their respective immediate family members (para. 23), or IIU Personnel (para. 22). The Chair is required to bring the report to the attention of the EAC for its consideration in accordance with the procedures to be determined for such a case.

8. In addition, the EAC has the authority to recommend that the GCF implement remedies when it has been established through an investigation that retaliation against a Whistleblower or a Witness who is a Board-Appointed Official, a Board member, an Alternate Board Member, an Adviser, or IIU Personnel has occurred (paras. 52, 53). In all other situations where the IIU would undertake an investigation and would establish retaliation against Whistleblowers or Witnesses, as explained above, the IIU would then recommend responsive remedies to be implemented by the Executive Director. If, however, the Executive Director would want to depart from the recommendations of the IIU, then s/he would need to propose other remedies to the EAC, and the EAC would need to determine ultimately what if any remedies should be applied (para. 51).

9. Finally, the EAC is responsible for reporting to the Board on a triennial basis on the effective implementation of the Policy and to recommend any changes to it (para. 74).

### 2.3 Independent Redress Mechanism

10. The Policy also recognises that Whistleblowers or Witnesses may include persons who bring allegations and information in a grievance, complaint, or reconsideration request to the IRM which amount to suspected Wrongdoing. The mandate of the IRM includes addressing grievances and complaints by a person or a group of two or more persons or communities who have been or may be affected by adverse impacts through the failure of a project or programme funded by the GCF to comply with applicable GCF operational policies and procedures.<sup>5</sup> The IRM offers problem solving and compliance processes as a means to redress. Compliance processes are undertaken only when a project or programme of the GCF potentially has not complied with GCF policies and

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<sup>5</sup> Updated Terms of Reference of the Independent Redress Mechanism (decision B.BM-2017/10, Annex II, Section I, paragraph 2(b)).

procedures. In these contexts, it is anticipated that some complaints received by the IRM might be better partially or wholly dealt with by the IIU, and vice versa.

11. Also, as an inherent part of its mandate, the IRM will handle the assessment of risks of retaliation as well as the gathering and assessing of facts related to acts or alleged acts of retaliation against a complainant, witness, or other person associated with IRM proceedings in the context of a complaint or grievance on matters falling within its jurisdiction, and provide protection as deemed appropriate in accordance with its *Procedures and Guidelines*.<sup>6</sup> The IRM will additionally, to the extent possible, implement its approach in a manner which is consistent with, and applies, the principles contained in the Policy.

12. Accordingly and in line with the Policy requirement, the IRM and the IIU have entered into a Memorandum of Understanding in relation to managing allegations or cases of retaliation under the Policy in situations where the jurisdictions of the IRM and the IIU overlap. If a retaliation risk arises in an IRM process that is not a grievance, complaint, or reconsideration request, the Head of the Independent Integrity Unit (IIU) will be alerted by the Head of the IRM so that they may determine an appropriate course of action. The Head of the IRM will normally propose that the issue be dealt with by the IIU in accordance with the Policy. In addition, if the IRM is made aware of a risk of retaliation associated with a GCF project, but not related to an IRM process, it will inform the IIU, if given permission by the affected person(s) to do so.

13. Although no such cases emerged in 2019, as GCF activities increase globally and as the IRM and IIU become more accessible, ample opportunities for coordinated action are imminent. In 2019, in accordance with the principles and requirements of the Policy, the IRM advanced the development of *Supporting Operating Procedures* (SOPs) consistent with its Terms of Reference and Procedures and Guidelines to protect complainants, requesters, Witnesses, and those assisting the IRM against retaliation. The IRM has consulted widely with a range of stakeholders and the public in developing its retaliation SOP and has received substantive written comments and comments raised in webinars which it hosted. The IRM has now revised its retaliation SOP, which has been reviewed by the Office of General Counsel (OGC). The IRM plans to issue this SOP in mid-2020 and also plans to make a public version of this SOP available.

## 2.4 Executive Director and GCF Secretariat

14. The Executive Director is responsible for implementing whistleblower and witness protection measures and any remedies as recommended by the IIU or the EAC. However, based on advice from the OGC regarding the practicability, proportionality, and compliance with international administrative law of the IIU's recommendations, the Executive Director may propose alternative measures to the EAC for its consideration and decision.

15. The Secretariat may also provide confidential advice to Covered Individuals concerning whistleblower and witness protection and reporting of suspected Wrongdoing. From 2018 continuing until November 2019,<sup>7</sup> the Secretariat employed a part-time, remotely-based consultant to act as the Ombudsperson, i.e. to serve as a confidential and informal resource available to the Fund's workforce members to discuss and resolve work-related concerns, policy matters, issues related to the working environment, and challenging work relationships. In addition, the Ethics Senior Advisor was hired in late June 2019, inter alia, to offer advisory services to all GFC Personnel regarding issues related to ethics, the internal justice system in GCF, and grievance mechanisms.

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<sup>6</sup> Procedures and Guidelines of the Independent Redress Mechanism (decision B.22/22, Annex II, paragraphs 80-83).

<sup>7</sup> The Secretariat initiated the recruitment of independent mediators, as consultants external to GCF, to assist staff with workplace- and employment-related concerns as part of informal dispute resolution. The recruitment of the Ombudsperson was initiated in order to fill the consultant position vacated in late 2019, with this function also playing an important mediation role for informal dispute resolution.

16. The Secretariat is also responsible for ensuring that Counterparties have effective whistleblowing and witness protection policies and practices in place and that these and other relevant obligations set out in the Policy are provided for in the contractual agreements between the GCF and Counterparties.

### III. Reporting of Suspected Wrongdoing

17. Following the adoption of the Policy, a total of 40 reports of suspected Wrongdoing were made by 28 GCF Personnel and four third parties (some persons making multiple allegations) to the IIU. Only of one those reports specifically alleged Whistleblower Retaliation. However, no Counterparty, or more specifically no Accredited Entity informed the IIU of any project-related report or investigation of suspected Wrongdoing or Prohibited Practice.

18. Most of the reports to the IIU were made directly by telephone, email, or in person, and not anonymously.<sup>8</sup> As the Policy requires, the reports were assessed to have been made in a timely manner, without any substantial delays, and based on a reasonable belief that Wrongdoing had occurred. Importantly, no reports or information provided were deemed to be false or malicious suggesting that the whistleblowing system of the GCF was accessed with integrity, absent attempt to undermine or abuse the safeguard. To be considered a violation of the Policy, the false or malicious report must have been made recklessly, or knowingly or deliberately for the purpose of gaining undue advantage or causing harm.

19. In 2019, the IRM did not receive any formal complaints or requests for reconsideration, but did process five pre-cases, one of which proceeded to a preliminary inquiry (self-initiated), one of which was referred internally, two of which were closed following the IRM sharing information about its mandate and the complainants no longer pursuing the matters, and one of which is still under consideration as a pre-case. The growth in pre-cases and informal inquiries to the IRM signals an increasing awareness of the role of the IRM amongst potentially affected people. In 2019, the IRM was not alerted to any retaliatory action or omission in any of its cases.

20. Overall, compared to previous years, the reporting activity within the GCF almost doubled suggesting that there was clarity on reporting procedures, and there may be a growing awareness of reporting obligations and confidence in reporting procedures and whistleblower and witness protection owing to the adoption of the Policy. Moving forward, it may be useful to regularly gauge the views of Covered Individuals on these matters to ensure that policy implementation is effective from the user point of view.

21. As indicated above, reports from Counterparties and third parties were not as forthcoming as within the GCF itself. Assessing that one reason for this may be attributed to nascent awareness of reporting obligations, channels, and whistleblower protection, the IIU took steps to amplify its outreach work to increase that awareness by introducing an enhanced reporting system and case-handling platform. The envisaged system is intended to bring the Unit closer to persons reporting Wrongdoing through a collaborative platform. A 24/7 multilingual hotline system, web reporting support, and a mobile application will ease access to and from the IIU. These intake channels will allow for anonymous reporting and the system will provide a means by which any complainant can re-engage with the IIU in any manner they so wish and afford them the opportunity to confidentially track the status of their respective cases. As virtual technology options, they can enable continued engagement even when physical movement is curtailed.

22. In addition, the GCF recognises the necessity of making sure that Accredited Entities and other key implementing partners have easily accessible and available whistleblowing channels especially for project-affected communities and project-related employees. The IIU has

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<sup>8</sup> One report was communicated by post letter. No reports were made by phone or by facsimile.

undertaken to facilitate that access by providing the contact information of those reporting channels on its website. Linking this to Accredited Entity and/or project information portals on the GCF website would also be helpful. These improvements will help the GCF in meeting the evolving complaints-handling needs catalysed by the accelerating expansion of disbursements and the implementation of projects.

#### **IV. Advisory Requests and Reports**

23. Advisory functions regarding how the Policy should be implemented and understood are delegated to the IIU, OGC, and other Divisions, Offices, or Units as may be established within the GCF Secretariat with responsibility for counselling on ethics or mediation (para. 30).

24. Over the course of 2019, the majority of advisory requests were made internally from GCF Personnel to the IIU. Such requests were split between procedural matters and Policy interpretation and application to specific cases. Common queries concerned what would qualify as “Wrongdoing” or as “reasonable belief” and what threshold of evidence would be needed for reporting suspicions of Wrongdoing. Recognising the value of the advisories, the IIU is preparing case study-based FAQs to support Staff and other Covered Individuals in speaking out.

25. In 2019, the Secretariat received one advisory request to the Ethics Senior Advisor who advised the individual to seek IIU assistance concerning a retaliation allegation. In addition, the Office of Human Resources, the Staff Council, Ethics Senior Advisor, and the various Independent Units undertook to collaborate to develop a Staff Grievance Handbook to provide clarity on when and how to address a workplace question or issue, and which functions are available for staff members to support them.

#### **V. Cooperation with Investigations**

26. The Policy sets out responsibilities for Witnesses in IIU investigations to cooperate in good faith and provide information or evidence which they believe to be true (paras. 37-40). In 2019, the IIU engaged 39 individual Witnesses in its investigations, most of whom were responsive and did cooperate in good faith. They identified corroborating witnesses and provided relevant information, documents, and written testimonial and other evidence. However, in one case, a Witness gave inconsistent descriptions and refused to disclose crucial information on the premise that s/he lacked confidence that sufficient witness protection would be provided. Addressing this concern will be an important area for the GCF to improve in its overall implementation of the Policy.

27. The IIU also sought the cooperation of two Counterparties with regard to reports of suspected Wrongdoings concerning those Counterparties. The IIU worked directly with the investigative offices of those Counterparties, which in turn undertook investigations. One of the Counterparties subsequently informed the GCF of the preliminary and final findings of its investigation. In the IIU’s view, Counterparties cooperated in full compliance with similar obligations stipulated in their legal agreements with the GCF.

28. Third parties were also requested to cooperate with IIU investigations. These engagements were generally effective. However, in one case where the Witness was a former GCF Staff Member, cooperation became difficult as the person had not retained relevant records which would have served as important evidence for the investigation. Eventually, the records could be obtained from other sources without having to access internal databases.

## VI. Protections and Remedies for Whistleblowers and Witnesses

### 6.1 Confidentiality and Anonymity

29. As fundamental forms of protection, the Policy establishes that reports and information may be submitted anonymously, and that confidentiality will be afforded to both internal and external Whistleblowers and Witnesses upon their request.

30. In line with the Policy, the IIU's reporting system allows Whistleblowers to stay anonymous when they report suspected Wrongdoing. Nevertheless, the IIU encourages Whistleblowers to provide some contact details (e.g., email addresses) to establish a communication channel in order to request clarifications or additional information regarding their reports.

31. The IIU applies confidentiality rigorously. All information provided by Whistleblowers and Witnesses is treated in strict confidence. Any identifying information is redacted in IIU reports. In specific situations where it is necessary to disclose some information on a need-to-know basis, for the purpose of an investigation or for providing protective or corrective measures, the IIU attains consent from relevant parties prior to any such disclosure. During the reporting period, the IIU applied these practices scrupulously. However, the IIU did not undertake any investigations in which confidential data had to be disclosed to external parties.

32. The Secretariat also has taken steps to ensure the confidentiality of IIU investigation reports or other information which it receives for the purpose of implementing protective, corrective, or other measures or remedies. The information is accessible only by the Executive Director and a limited number of staff of the OGC.

33. In 2019, as in previous years, the IIU also took measures to prevent that any confidential information be disclosed absent authorisation including information leaks and computer system hacking. All electronic data related to reports of suspected Wrongdoing are stored in the case management system with access limited only to the IIU investigators. The IIU maintains a strict firewall regarding information sharing between investigation and prevention teams. Access to physical evidence is limited in the same way, and it is kept in the safe location within the IIU offices.

34. So far, the IIU has not found it necessary to keep the identities of IIU investigators or other IIU personnel confidential. Rather, the practice has been to provide the name, title, and contact details of each IIU personnel in both internal and external communications. However, the IIU will ensure that identities of any IIU personnel (as well as their families and close associates) is kept confidential as necessary such as when the security, safety, or well-being of such persons may be threatened or endangered.

35. The IRM also applies the Policy's confidentiality safeguards in communicating with or otherwise handling information provided by Whistleblowers and Witnesses. Additionally, the IRM's *Procedures and Guidelines* explicitly recognise and respect the right of complainants and their representatives to confidentiality, including confidentiality of identities and disclosure of information provided to the IRM. These are further strengthened by confidentiality provisions contained in the IRM's *Supporting Operating Procedures*.

### 6.2 Interim Protection from Retaliation and Other Remedies for Covered Individuals

36. The Policy provides that interim personal safety and well-being protection from retaliation may be provided for Covered Individuals who are Whistleblowers or Witnesses and

for their close family members or associates upon their request and upon IIU's recommendation (paras, 49, 50). The IIU may also recommend remedies including rescission or cessation of the retaliatory action, reinstatement to a post, reissuance of contract, or reasonable compensation for damages for GCF Personnel who are Whistleblowers or Witnesses who have suffered from retaliation (paras. 51-54).

37. The Policy also sets out ways to protect external Whistleblowers and Witnesses. In addition to anonymity and confidentiality as introduced above, the GCF may provide protection by:

- (a) Taking corrective action against Covered Individuals or Counterparties which have been found to have retaliated against external Whistleblowers or Witnesses;
- (b) Endeavouring to apply its good offices with appropriate authorities to secure necessary protection and to employ other reasonable measures to reduce the risks of retaliation (para. 57); and
- (c) Recommending other remedies be delivered by the GCF or by relevant Counterparties (para. 58).

38. As introduced above, it is the Executive Director who is responsible for implementing the recommended measures.

39. In 2019, only GCF Personnel made requests for interim protection on three occasions; no other Covered Individuals or external persons made such requests. There was no request for a remedy to be provided. In two cases where requests were made, GCF Personnel alleged that, as a result of their reports of suspected Wrongdoing, they suffered retaliation inclusive of adverse job performance reviews, adverse personnel treatment/decisions, and wrongful charges of Misconduct and associated adverse personnel actions. In both cases, the IIU determined that the Whistleblowers were eligible for interim protection as they had established *prima facie* cases, *i.e.*, that they could have reason to believe that they could be retaliated against and exposed to threatened or actual harm to personal security and well-being. Without delay, the IIU recommended that interim protection be provided as a stay of the alleged retaliatory actions.

40. The Executive Director implemented the recommendation by the IIU in one of those cases. In the other case, however, the Executive Director determined, following advice from the OGC, that the recommended protection measure was not feasible under the GCF legal framework and offered other interim measures. The OGC has explained that its feasibility assessment of the recommended measure examines its practicability, proportionality, and compliance with international administrative law. Beyond this, efforts to develop internal guidance regarding how these principles are applied in practice could serve to help Whistleblowers and Witnesses understand better the types of protections available as well as any constraints involved in securing them.

41. Eventually, the IIU investigation established that the actions which were alleged to be retaliatory would have taken place irrespective of the Whistleblowers' reports. Consequently, the interim measures were ceased.

42. Whilst not explicitly required by the Policy, monitoring that interim protection measures or remedies are effective is fundamental to the Policy's goals. As the IIU recommends the measures and the ED determines and implements them, a shared responsibility for monitoring evolved during 2019. Moving forward, it will be necessary to further clarify these roles and set monitoring/oversight parameters including effectiveness indicators.

## VII. External Reporting

43. If Covered Individuals can satisfy a set of specific conditions, the Policy permits that they may report suspected Wrongdoing to an entity outside the GCF and, in doing so, not be in breach of GCF non-disclosure of information obligations (para. 60). In 2019, IIU was not aware of any situation where reports had been made to external portals pursuant to the Policy.

## VIII. Procedural Safeguards

44. The Policy provides procedural safeguards for Whistleblowers and Witnesses as well as for subjects of and other parties to investigations. Throughout 2019, IIU continued to treat seriously and thoroughly, independently and objectively reports of suspected Wrongdoing by conducting administrative fact-finding investigations free from control or influence by any person or entity, and with scrupulous adherence to the principles of fairness and due process.

45. The IIU respected these safeguards by assuring that Whistleblowers were informed of the status and outcome of their reports including whether there was a finding of suspected Wrongdoing and whether corrective measures were taken (para. 48). Covered Individuals who were informed were bound by the GCF *Information Disclosure Policy* to keep the information confidential. As such rules were not applicable for Whistleblowers who were no longer employed by the GCF, there were limitations in discharging and structuring this notification process for those persons.

46. After deciding to launch an investigation into a report of suspected Wrongdoing, the IIU notified persons and entities who were implicated by the report accordingly within a reasonable time frame (para. 61).<sup>9</sup> However, there was no time bar on how long this pre-notification period should be. In the view of the IIU Investigation team, the time it takes to review and assess a case before determining whether an investigation be undertaken depends on many factors and the complexity of a case. Going forward, the IIU is progressing its investigative standards and procedures in line with international best practice.

47. As a rule, the notification to the subject of an investigation contains all relevant information to aid him or her in responding to the report including the allegations of Wrongdoing, the applicable GCF policies and rules governing the investigation, and his or her rights and duties in relation to investigations. S/he is given an opportunity to respond to all allegations during an interview and subsequently to share any additional statements and supporting documentation before finalisation of an investigation report.

48. In addition, pursuant to the GCF *Administrative Guidelines on Human Resources*, the IIU provided an opportunity for subjects to be accompanied by another Staff Member during interviews to the extent that such request did not delay or impede the investigation. The right of the subjects to seek legal counsel at their own expense regarding a matter under investigation<sup>10</sup> was respected.

49. Following an investigation into allegations of Misconduct by GCF Staff, the IIU may recommend that disciplinary measures be imposed by the Executive Director. Regarding such instances, the Policy pronounces that *“the procedures and procedural rights of GCF Staff regarding the determination of disciplinary measures and any administrative review or appeal thereto shall be observed in accordance with the Human Resource Legal Framework”* (para. 62). Further, it is clarified in the Policy that none of its provisions are to be *“construed as a limitation or waiver of the privileges and immunities enjoyed by the GCF”*. The decision to limit or waive privileges or immunities rests with the Executive Director in accordance with the terms of legal agreements

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<sup>9</sup> The IIU does not notify persons implicated in reports which are not investigated.

<sup>10</sup> As in the Administrative Guidelines on Human Resources, appendix 2, paragraph 3.1.

concluded between the GCF and relevant countries (para. 63). Although consulted, the Secretariat has not provided any information regarding how these provisions were implemented in 2019.

## IX. Communication, Capacity Building, and Cooperation

50. During the reporting period, the IIU undertook to raise awareness amongst Covered Individuals regarding what constitutes suspected Wrongdoing, their duties to report, and reporting channels. Throughout the year, IIU conveyed such information through its own initiatives and through its participation in knowledge-sharing events organised by the GCF. Information sessions were provided at the Secretariat for GCF Personnel and at GCF Board Meetings for broader groups of Covered Individuals. At the Secretariat, for example, an all-staff training session was organised by the IIU in February 2019 to introduce the key features of the Policy and encourage awareness on the procedures and protections available through comprehensive and inclusive discussions. In May 2019, the IIU and the IRM jointly organised an event on preventing sexual abuse in projects featuring the Chair of the World Bank Inspection Panel, speaking on how to recognise and deal with gender-based violence at the project level and its far-reaching impacts on local communities and the institution. Notably also, for International Anti-Corruption Day in December 2019, the IIU launched outreach actions to inspire awareness including a short video featuring statements from the Executive Director, Chair of the EAC, the Co-Chair, and the Head of IIU.

51. The IIU also took action to raise awareness and develop capacity of Counterparties regarding whistleblower and witness protection. At the 2019 Global Programming Conference, IIU set up a consultation kiosk titled, “Ask IIU: Safeguarding Climate Finance” which was opened to over 600 participants from GCF National Designated Authorities, focal points, Accredited Entities, and other stakeholders to address queries on integrity standards and operations at the GCF. Often, IIU makes itself available for bilateral exchanges with Accredited Entities, civil society, and other stakeholder/observer groups.

52. On the sidelines of the 25<sup>th</sup> Conference of Parties to the UNFCCC, the IIU held its first GCF Integrity Forum in Madrid, Spain. The Forum served as a capacity-building and peer-learning event for integrity professionals from 22 Accredited Entities of mixed modalities. The Forum’s focus was on tools and best practices to prevent and detect wrongdoing in GCF funded activities.

53. Visual materials were prepared and displayed at the GCF Secretariat and promoted at GCF Board Meetings to raise awareness about Prohibited Practices; sexual exploitation, sexual abuse, and sexual harassment (SEAH); and how to reach the IIU to learn more, ask for advice, or file a report. The IIU website was further improved to provide such useful information and FAQs. In 2019, a Communications Officer was brought onboard to support IIU’s strategy for achieving transformational impacts through greater outreach to broader audiences, meaningful stakeholder engagement, and sustainable shared-learning opportunities.



Figure 1. IIU Visibility Campaign Materials

54. Although the above activities and communication about channels for reporting suspected Wrongdoing were conducted in the English language (GCF's operational language), the IIU ensured interpretation and translation for receiving reports and engaging in all languages. However, as demanded by stakeholders and as required by the Policy, going forward the IIU took steps to ensure that channels for reporting suspected Wrongdoing are easily accessible and available, as far as possible in local languages of concerned groups or communities with view to empowering people to speak out. One of those measures, as introduced above, was to endeavour to acquire a multilingual, 24/7 hotline service to be launched in 2020. The IIU also developed a plan to produce a variety of learning and informational text and audio-visual materials in multiple languages to expand outreach.

55. In addition, the IIU continued to work with a number of Accredited Entities to help bring better visibility to their reporting mechanisms and whistleblowing systems. The IIU began compiling a list of their reporting channels which is to be featured on the GCF website as a way to increase their accessibility. Connecting this basic information to GCF web portals regarding projects, programmes, Accredited Entities, and Delivery Partners would further augment user access.

56. The IIU also cooperated with the relevant offices of Accredited Entities to prevent and investigate suspected Wrongdoing. The two cases discussed in paragraph 27 above provide an example of how this is being done. The terms of such cooperation are explained further in Memoranda of Understanding (MoUs) in accordance with the terms of the respective Accreditation Master Agreements. By the end of 2019, the IIU had concluded MoUs with 11 Accredited Entities and had entered into MoU negotiations with 47 others.

## **X. Policy Administration, Monitoring, Reporting, and Review**

57. Responsible for the implementation of the Policy, the IIU worked in collaboration with the Secretariat to ensure the effective implementation of the Policy. In addition to the actions stated above, the IIU advised the Secretariat, the Accreditation Committee, and the EAC that the GCF *Initial Fiduciary Principles and Standards* be updated to reflect obligations in a number of integrity policies adopted by the Board in 2018 and 2019. Specific recommendations were made to further elaborate the standard regarding assurances that channels for reporting suspected Wrongdoing are effective, accessible, and available as far as possible in the local languages of concerned communities and the standard regarding the scope of whistleblower and witness protection. The advisory supported that Counterparties are obligated to have effective whistleblowing and witness protection policies and practices in place and that those obligations are provided for in the contractual agreements between the GCF and Counterparties. It also recommended that reporting frameworks include information on how complaints-handling mechanisms and whistleblowing systems are operated in the context of Funded Activities.

58. In terms of reporting, the IIU continued to keep stakeholders informed about its efforts to handle reports of suspected Wrongdoing through quarterly reports to the EAC and publicly available reports to the Board. The IIU also disclosed (to the extent possible) on its [website](#) information regarding cases (such as incidence frequency and typology of cases) (para. 72). This present report serves as the first of its kind to convey what actions were undertaken in 2019 by the IIU, the IRM, the Secretariat, and the EAC to implement the Policy in 2019. In 2022 and on a triennial basis, the EAC is expected to report to the Board on issues related to the implementation of this Policy along with any recommendations for changes to it (para. 74).

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