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# Report on the activities of the Independent Redress Mechanism

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## **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 5 March 2022 to 21 April 2022 with budget utilization until 31 March 2022. The document summarizes the activities of the IRM based on the work plan and budget of the IRM for 2022 adopted by the Board at its thirtieth meeting.

## 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.
2. The report on the activities of the 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 for 2022 approved by the Board at its 30<sup>th</sup> meeting.<sup>1</sup> The reporting period is from 5 March 2022 to 21 April 2022 with the budget utilization until 31 March 2022.
3. The work plan of the IRM for 2022 identified the following overarching goals to help guide the work of the IRM:
  - (a) Processing grievances and complaints (including those that are self-initiated), and requests for reconsideration of funding decisions; and
  - (b) Operating the IRM.

## II. Processing complaints and reconsideration requests

### 2.1 Complaints and requests for reconsideration of funding decisions

4. 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.
5. The IRM received no new complaints during the reporting period. In relation to FP146, Nicaragua, based on the *prima facie* evidence identified in its compliance appraisal report, the IRM decided to commence compliance investigation. With regard to the self-initiated inquiry into FP001, Peru, the IRM continued to monitor the agreement reached with the Secretariat. The two complaints dealt with during this reporting period are discussed in further detail below:
  - (a) *FP146: Bio-CLIMA: Integrated climate action to reduce deforestation and strengthen resilience in BOSAWÁS and Rio San Juan Biospheres*: The complainant(s) of this case alleged that the project would harm indigenous and Afro-descendant communities as (a) there was no proper consultation with communities prior to the approval of the project, including no free, prior, and informed consent (FPIC); (b) the project will lead to environmental degradation and attacks by armed non-indigenous settlers; (c) the Accredited Entity's actions do not seem to comply with the GCF's policies, especially on participation and information disclosure; (d) the GCF Board conditions placed on the project, especially relating to the implementation of FPIC and to the selection of independent third party monitor(s), will not be defined and complied with effectively; and (e) the executing entity will not fulfil its obligations in the implementation of the Bio-CLIMA project. The complainant(s) requested and were granted confidentiality in accordance with the IRM's Terms of Reference, Procedures and Guidelines, and as a

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<sup>1</sup> Decision B.30/08

result of its retaliation risk assessment. Upon receipt of the formal response from the Secretariat to the complaint on 3 March 2022, the IRM started a compliance appraisal process to consider whether there was *prima facie* evidence that the complainant(s) have been affected or may be affected by adverse impacts through non-compliance of the GCF-funded project or programme with GCF operational policies and procedures. Following the publication of its compliance appraisal report<sup>2</sup> on 24 March 2022, the IRM initiated the compliance investigation phase.

- (b) *FP001: Building the Resilience of Wetlands in the Province of Datem del Marañón, Peru:* the IRM continues to monitor the outcomes of its preliminary inquiry into FP001, Peru. Out of the four undertakings provided by the Secretariat, three have been completed - the issuance of guidance on Free Prior Informed Consent (FPIC) requirements, and on risk categorization for projects involving Indigenous Peoples, and the completion of a legal assessment/opinion examining the potential impacts of the creation of the Áreas de Conservación Ambiental (ACA) on collective land rights of indigenous people who are part of the project. The AE has reiterated and assured both the IRM and the GCF Secretariat that it will take into account all of the requirements to document the FPIC process and carefully manage the establishment of the ACA in line with the recommendations of the legal opinion and the GCF guidance that has been issued. The IRM continues to monitor the fourth undertaking - which is for the GCF Secretariat to ensure that the consent documentation submitted by Profonanpe for the establishment of the ACA is complete and compliant with the guidance. The IRM received a progress report from the GCF Secretariat on 30 June 2021 and 15 December 2021 indicating that there had been no update due to the Covid-19 restrictions that have not allowed the project to organize participative processes and consultations. The Secretariat has granted an extension of the project period through 2023, and the IRM and the GCF Secretariat have agreed that further progress reports will be submitted every six months until 2023.<sup>3</sup> The next progress report is due on 30 June 2022, and the IRM will continue to monitor progress on the fourth undertaking.
- (c) The IRM registered no new pre-cases during the reporting period. One pre-case from the previous reporting period is still ongoing. 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 available on the IRM website.<sup>4</sup>
6. The IRM has not received any requests from developing countries for reconsideration of funding proposals denied by the Board during the reporting period.

### III. Operating the IRM

#### 3.1 Progress on operating the IRM

7. **The implementation of the work plan and budget:** The terms of reference (TOR) of the IRM requires 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 and the EAC provides valuable feedback. The

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<sup>2</sup> Available at: <https://irm.greenclimate.fund/sites/default/files/case/compliance-appraisal-report-publication-c0006.pdf>

<sup>3</sup> The third agreement on additional dates for progress reports is available at: <https://irm.greenclimate.fund/sites/default/files/case/irm-decision-additional-dates-progress-reports-c0002-peru-january-2022-english.pdf>

<sup>4</sup> The history of the IRM's pre-cases is available at: <https://irm.greenclimate.fund/document/history-irm-pre-cases>

IRM has presented the EAC with one quarterly report for 2022 but the EAC has only recently been reconstituted and has not met in 2022 to enable feedback to be provided to the IRM on its reports. The IRM expects to brief the EAC about the IRM's progress of work under the work plan and to receive their feedback soon.

8. **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. Since April 2021, the IRM has accordingly submitted monthly update reports to the ED to draw his attention to the reporting that already happens through established systems, and to highlight other actions that fall outside of these systems. In addition, the Independent Units and the Secretariat have developed a draft Protocol between the Secretariat and Independent Units setting out general principles that will help facilitate and promote effective cooperation, and it will soon be finalized.

9. **Staffing:** The IRM is currently staffed with five full-time staff members: the Head of the IRM, the Compliance and Dispute Resolution Specialist, the Registrar and Case Officer, the Communications Associate (Mr. Peter Carlson, who joined during the reporting period on 5 April 2022) and the Executive Assistant (who was redesignated on 1 April following the conclusion of her probationary period as the Teams Assistant). The IRM is also supported by one intern from Switzerland who joined the IRM in March 2022.

10. **Consultancies and Professional Services:** The contracts with the high-level communications consultant and the social media consultant expired on the last day of 2021, and the new Communications Associate will continue to implement the work plan and communications strategies in 2022. The IRM also worked with Russian, Swahili, Portuguese and Spanish translators to proofread the automatic translation of the IRM website. To ensure the quality and consistency of the translation and interpretation provided, to reduce the administrative burden of having to constantly hire translators and interpreters throughout the year and to maintain a roster of translators and interpreters, the IRM is currently in the process of hiring a firm instead of individual consultants for this purpose. The IRM has also commenced the process of hiring the Consensus Building Institute to assist in the execution of the IRM's mandate to build the capacity of the Grievance Redress Mechanisms (GRMs) of the GCF's Direct Access Entities (DAEs) through one global training and focused one-on-one support. In addition, the IRM has hired a mediator and subject experts to assist the IRM with its compliance investigation in relation to FP146, Nicaragua.

11. **Gender Strategy Note:** The IRM developed a Gender Strategy Note<sup>5</sup> with a view to mainstreaming gender considerations and ensuring a gender-responsive approach in relation to each of its five functions. The IRM is currently seeking to hire external consultants to train the IRM's staff to act according to its gender strategies.

## 3.2 Communications strategy

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

- (a) **Civil Society Outreach:** On 18 March 2022, the IRM, together with the Early Warning System, hosted an online outreach workshop for 18 civil society participants from Latin America. The workshop was simultaneously interpreted into Spanish and Portuguese, and resource materials were also translated and shared with participants.

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<sup>5</sup> Available at: <https://irm.greenclimate.fund/document/irm-gender-strategy-note>

- (b) **Inreach:** On 12 April 2022, the IRM hosted an orientation session for staff who have recently joined the GCF. This session focused on introducing the work of the IRM and how the IRM is independent of the GCF Secretariat but they ultimately strive to achieve the same goal of mitigating and adapting to climate change in a fair and just manner.
- (c) **Communications materials:** The IRM published the ninth issue of its newsletter, “Redress Counts,” in April 2022.<sup>6</sup> This newsletter was provided to the Office of Governance Affairs of the Secretariat for distribution to all Board members and Advisors and was distributed to the stakeholders on the IRM’s growing stakeholder database, which is regularly updated and maintained. The IRM published four news items and articles in the reporting period, including two news items and two opinion pieces.<sup>7</sup> In addition to French and Arabic, the IRM website is now available in Portuguese, Russian and Swahili. Spanish will be available soon after the reporting period. During the reporting period, the IRM also published a self-assessment report,<sup>8</sup> in which the IRM evaluates itself against the eight Ruggie principles through the 82 indicators identified by the OHCHR in its recent report.<sup>9</sup>

### 3.3 Providing advice

13. During the reporting period, the IRM continued to engage with the Secretariat on the draft Safety and Security Travel Policy, the draft MOU between the Secretariat and the IUs, the draft internal Appraisal Guidelines and the draft floorplan for the new office, among others.
14. The IRM was consulted by the Accreditation Team of the Secretariat to provide input on the GRMs of AEs being considered for re-accreditation. During the reporting period, the IRM has also provided feedback to the Secretariat on numerous other issues.

### 3.4 Capacity building of direct access entities’ grievance mechanisms

15. As previously reported, the IRM formed the Grievance Redress and Accountability Mechanism (GRAM) partnership in 2019 together with other relevant organizations, 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. On 24 March, the IRM hosted the 5th GRAM Partnership webinar on the topic of complaints related to involuntary resettlement and land acquisition. The webinar was attended by about 90 participants from grievance mechanisms, including GRMs of DAEs, Independent Accountability Mechanisms (IAMs), civil society organisations and research institutes. The video recordings and the presentation slides of the GRAM webinars are available on the IRM website.<sup>10</sup>
16. Additionally, according to the IRM’s review of 98 signed accreditation master agreements (AMAs), 16 AEs (17%) were required to notify the IRM/GCF once they had either established or upgraded their GRMs. The IRM has received no such notifications and has raised this issue with both the Office of the General Counsel (OGC) and OPM. Under these AMA’s the IRM exercises exclusive jurisdiction over all GCF projects and programmes with regard to these 16 AEs.

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<sup>6</sup> Available at: <https://mailchi.mp/gcfund/newsletter-of-the-independent-redress-mechanism-of-the-gcf-winter-2021-5171305>

<sup>7</sup> Available at: <https://irm.greenclimate.fund/news>

<sup>8</sup> Available at: <https://irm.greenclimate.fund/document/self-assessment-report-irm>

<sup>9</sup> Available at: <https://www.ohchr.org/sites/default/files/2022-03/Remedy-in-Development.pdf>

<sup>10</sup> Available at: <https://irm.greenclimate.fund/cop/gram>

### 3.5 Independent Accountability Mechanisms Network (IAMnet)

17. The IRM remains active within the IAMnet community and has engaged with IAMnet members on its community of practice plans for second generation practitioners. The IRM staff have been asked to participate in IAMnet working groups to jointly develop tools and practices to improve the efficiency of IAMs. In addition, on 13 April 2022, the IRM collaborated with the IAMnet Secretariat to deliver a webinar on the topic of the IRM's self-assessment report.<sup>11</sup>

18. The utilization of the IRM's 2022 budget up until 31 March 2022 is shown below, along with an explanation for the percentage of spending.

#### Independent Redress Mechanism Unit Budget Utilization as of 31 March 2022 (in USD)

		2022 Approved Budget	Actual expenditure up to 31 March 2022	Balance	% spent
<b>3.1</b>	<b>Staff, Consultants and Interns Costs</b>				
3.1.1	Full-time Staff	1,095,945	163,995	931,950	15%
3.1.2	Consultants & Interns	160,390	10,914	107,624	7%
	<b>Sub-total: Staff, Consultants and Interns</b>	<b>1,256,335</b>	<b>174,909</b>	<b>1,039,574</b>	<b>14%</b>
<b>3.2</b>	<b>Travel</b>				
3.2.1	General	19,030	356	18,674	2%
3.2.2	Travel associated with complaints/request	42,530	0	42,530	0%
	<b>Sub-total: Travel</b>	<b>61,560</b>	<b>356</b>	<b>61,204</b>	<b>1%</b>
<b>3.3</b>	<b>Contractual Services</b>				
3.3.1	Professional Services	147,651	22,680	19,842	15%
3.3.2	Operating costs	29,900	1,822	28,078	6%
	<b>Sub-total: Contractual Services</b>	<b>177,551</b>	<b>24,502</b>	<b>47,920</b>	<b>14%</b>
	<b>Total</b>	<b>1,495,446</b>	<b>199,767</b>	<b>1,148,698</b>	<b>13%</b>
	<b>Shared cost allocation</b>	<b>150,469</b>	<b>37,617</b>	<b>112,852</b>	<b>25%</b>
	<b>Grand total (1+2+3)</b>	<b>1,645,915</b>	<b>237,384</b>	<b>1,148,698</b>	<b>14%</b>

#### Notes

Actual expenditure for the IRM during the reporting period totalled USD 0.23 million against an approved 2022 annual budget of USD 1.64 million (14 per cent). The Board's attention is drawn to the fact that, as stated in the 2022 budget, 9 per cent of the IRM budget (i.e., USD 154,080) constitutes demand-driven costs which would be incurred only if complaints or reconsideration requests are received by the IRM and necessitate travel or expert advice. As part of the ongoing case in relation to FP146, Nicaragua, some case-related travel will likely take place in the second quarter.

A portion of spending on the consultancy and operating costs budget is dependent on complaints received. Given that the case being handled in relation to FP146, Nicaragua, is now under compliance investigation phase and there are ongoing discussions regarding resuming problem-solving, it is expected that some payments will be made in the second quarter to cover the costs of hiring subject experts and a mediator.

During the reporting period, the IRM required much support from translators and interpreters to improve the accessibility of its work. The IRM is currently in the process of hiring a firm to deliver translation and interpretation services and a firm to provide capacity building services to the Grievance Redress Mechanisms (GRMs) of the GCF's Direct Access Entities (DAEs) through one

<sup>11</sup> The video recording of the webinar is available at: <https://irm.greenclimate.fund/cop/iamnet>



global workshop and one-on-one expert advice. The IRM will also hire several individual experts to deliver a mediation training to the GRMs of the GCF's DAEs.

The shared recruitment of procurement staff for independent units has not yet taken place. Thus, the 25% spending on the shared cost allocation will be adjusted in the April 2022 expenditure report.

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