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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 11 June 2022 to 16 September 2022 with budget utilisation until 31 August 2022. The document summarises 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 30th meeting.<sup>1</sup> The reporting period is from 11 June 2022 to 16 September 2022 with the budget utilisation until 31 August 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 one new complaint during the reporting period. With regard to FP146, the IRM concluded the compliance review process and submitted the final compliance review report to the Board. With regard to the self-initiated inquiry into FP001, Peru, the IRM continued to monitor the agreement reached with the Secretariat. The three complaints dealt with during this reporting period are discussed in further detail below:

- (a) *FP121: Results-based payments in Paraguay for the period 2015-2017*: In June 2022, the IRM received a complaint relating to FP121. The complainant (Instituto Paraguayo del Indígena (Paraguayan Indigenous Institute, INDI) raised concerns regarding their lack of inclusion as part of the Board of Directors for FP121. As a legally recognised and established institution tasked with representing indigenous peoples in Paraguay, the complainant claims that they should be involved in decision-making processes related to activities of the project that impact indigenous communities. The IRM commenced the eligibility determination for this case on 1 July, and the complaint was declared eligible on 28 July 2022.<sup>2</sup> The case is currently in the the Initial Steps phase, where the IRM is exploring options for problem solving or compliance review, in consultation with the complainant and other stakeholders.

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

<sup>2</sup> The eligibility determination is available at:  
<https://irm.greenclimate.fund/sites/default/files/case/determination-eligibility-final.pdf>

- (b) *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 result of its retaliation risk assessment. The IRM's compliance appraisal report<sup>3</sup> concluded there was *prima facie* evidence that the complainant(s) may be affected by adverse impacts through non-compliance of FP146 with GCF operational policies and procedures identified in that report. As a result, the IRM proceeded with the compliance investigation phase on 24 March 2022. The IRM constituted an investigation team led by the Head of the IRM and contracted the services of two subject experts who were specialists in the fields of Indigenous People's governance and on Indigenous Peoples and land titling matters. The IRM investigation team gathered information through virtual interviews with the GCF Secretariat staff and accredited entity staff. The IRM also undertook interviews with external experts on conflict sensitivity and indigenous peoples in Nicaragua. Additionally, some members of the IRM investigation team as well as the problem-solving team conducted a mission to Nicaragua in June 2022, and separately held in-person and virtual meetings with the complainant(s) and other indigenous peoples. While on mission in Nicaragua, the IRM team met with the accredited entity's country office staff, officials affiliated with agencies and ministries of the Nicaraguan Government and Presidents of some Indigenous Peoples Governments. Based on the interviews and evidence gathered, the IRM finalised a report containing the factual findings and recommendations of the compliance review process. A draft of the report was circulated with the GCF Secretariat, AE and complainant(s) for comments and feedback. The final compliance review report was submitted to the Board on 30 August 2022.
- (c) *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 categorisation for projects involving Indigenous Peoples, and the completion of a legal assessment/opinion examining the potential impacts of the creation of the Áreas Ambiental (ACA) on collective land rights of indigenous people who are part of the project. 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 11 July 2022, noting that the AE has confirmed the establishment of a new ACA. Following Secretariat assessment of consent documentation submitted by the AE, the IRM will determine whether to close the self-initiated inquiry, given the successful execution of all four undertakings outlined within the monitoring agreement.

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<sup>3</sup> Available at: <https://irm.greenclimate.fund/sites/default/files/case/compliance-appraisal-report-publicationc0006.pdf>

6. The IRM also processed three pre-cases during the reporting period. One pre-case was closed and two pre-cases are 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 updated quarterly and is available on the IRM website.<sup>4</sup> The list available at the time of submission of this activity report was updated on 30 June 2022 and the next update will be made before October 2022.
7. 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

8. **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 has provided valuable feedback.
9. **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 developed a draft Memorandum of Understanding between the Secretariat and Independent Units setting out general principles that will help facilitate and promote effective cooperation. The draft MOU was developed by a committee of Secretariat and IU staff over many months. This draft MOU, though not legally binding, has been referred by the ED to the Office of General Counsel for comment a few months ago, and is waiting to be finalised.
10. **Staffing:** The IRM is currently staffed with five full-time staff members: the interim Head of the IRM, the Compliance and Dispute Resolution Specialist, the Registrar and Case Officer, the Communications Associate and the Executive Assistant. The previous Head of the IRM departed the GCF, and Mr. Ibrahim Pam was appointed by the Board as the ad interim Head of the IRM from 31 August 2022 to 31 March 2023. The IRM is also supported by two interns.
11. **Consultancies and Professional Services:** The IRM hired a translation and interpretation firm to ensure the quality and consistency of the translation and interpretation provided and to reduce the administrative burden of having to constantly hire translators and interpreters throughout the year. Additionally, the IRM contracted two civil society organisations to support its outreach activities. The IRM is currently supported by Procurement to contract the Consensus Building Institute (CBI) for its 2022 company-community mediation training.
12. **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

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

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

each of its five functions. The IRM is at the final stages of hiring an external consultant to train the IRM's staff to act in a gender-responsive manner.

## 3.2 Communications strategy

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

- (a) **Civil Society Outreach:** On 26 July 2022, the IRM, together with the Centre of Environmental Justice (CEJ) in Sri Lanka and the Legal Initiative for Forest and Environment (LIFE) in India, hosted an online outreach workshop for over 60 civil society representatives in South Asia. The workshop was simultaneously interpreted into Tamil and Sinhalese, and resource materials were also shared with participants. On 14 September 2022, the IRM collaborated with the Pacific Islands Climate Action Network (PICAN) to deliver an online outreach workshop for over 20 participants in the Pacific islands. The IRM provided sign language interpretation.
- (b) On 7 July, the IRM also participated in a webinar hosted by GCF Watch on CSO-led monitoring and evaluation of GCF-approved projects.
- (c) **Communications materials:** During the reporting period, the IRM published six news items<sup>6</sup> and sent out the 10th issue of its newsletter "Redress Counts."<sup>7</sup> On 18 July, the IRM also launched a new podcast titled "Redress Now" and has since published four podcasts.<sup>8</sup>

## 3.3 Providing advice

14. During the reporting period, the IRM continued to engage with the Secretariat on the draft floorplan for the new office, among others.

15. During the reporting period, the IRM has also provided feedback to the Secretariat and other Independent Units on numerous other issues.

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

16. As previously reported, the IRM formed the Grievance Redress and Accountability Mechanism (GRAM) partnership in 2019 together with other relevant organisations, 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 21 June, the IRM supported the organisation of the 6th GRAM Partnership webinar on the topic of "Informed Consultation and Participation (ICP) and Free, Prior, and Informed Consent of Indigenous Peoples (FPIC) and Broad Community Support," which was hosted by the Independent Consultation and Investigation Mechanism of the Inter-American Development Bank. The video recordings and the presentation slides of the past GRAM webinars are available on the IRM website.<sup>9</sup> The IRM is now preparing its 7th GRAM webinar. This webinar will be hosted by the Social and Environmental Compliance Unit (SECU) of the United Nations Development Programme (UNDP) and the Office of the United Nations High Commissioner for Human Rights

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<sup>6</sup> Available at: <https://irm.greenclimate.fund/news>

<sup>7</sup> Available at: <https://mailchi.mp/gcfund/newsletter-of-the-independent-redress-mechanism-of-the-gcf-winter-2021-5242529>

<sup>8</sup> Available at: <https://anchor.fm/redress-now-irm>

<sup>9</sup> Available at: <https://irm.greenclimate.fund/cop/gram>

(OHCHR). The webinar will unpack options for meaningfully integrating human rights principles and requirements in safeguard policies and grievance mechanisms' processes, drawing on OHCHR's recent Benchmarking Study of DFI Safeguard Policies.<sup>10</sup>

17. On 30 May, the IRM, with support from the Consensus Building Institute (CBI), launched the 2022 global capacity building training. 36 people from 19 organisations completed the training, which was conducted throughout June. The IRM is currently translating the new version of the online learning modules into French and Spanish. It has also started providing individualised support to GRMs of DAEs through CBI. The IRM is preparing a company-community mediation training in October for GRM staff of DAEs who have completed the basic training on operating GRMs.

18. 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 DPM. Under these AMAs, the IRM exercises exclusive jurisdiction over all GCF projects and programmes with regard to these 16 AEs.

### 3.5 Independent Accountability Mechanisms Network (IAMnet)

19. 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 participating in IAMnet working groups to jointly develop tools and practices to improve the efficiency of IAMs. IRM staff will be joining the annual IAMnet meeting, which will be held in New York in October 2022.

## IV. Budget utilisation for the reporting period

20. The utilisation of the IRM's 2022 budget up until 31 August 2022 is shown below, along with an explanation for the percentage of spending.

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

		2022 approved budget	Actual expenditure to 31 August 2022	Balance	% spent
<b>3.1</b>	<b>Staff, consultants and interns</b>				
3.1.1	Full-time staff	1,095,945	645,223	450,722	56%
3.1.2	Consultants and interns	160,390	30,763	129,627	19%
	<b>Subtotal: staff, consultants and interns</b>	<b>1,256,335</b>	<b>645,223</b>	<b>611,112</b>	<b>51%</b>
<b>3.2</b>	<b>Travel</b>				
3.2.1	General	19,030	1,927	17,103	10%
3.2.2	Travel associated with complaints/requests	42,530	14,050	28,480	33%
	<b>Subtotal: travel</b>	<b>61,560</b>	<b>15,978</b>	<b>45,582</b>	<b>26%</b>
<b>3.3</b>	<b>Contractual services</b>				
3.3.1	Professional services	147,651	27,516	120,135	19%
3.3.2	Operating costs	29,900	8,232	21,668	28%

<sup>10</sup> Available at: [OHCHR Benchmarking Study HRDD.pdf](#)



		2022 approved budget	Actual expenditure to 31 August 2022	Balance	% spent
	<b>Subtotal: contractual services</b>	<b>177,551</b>	<b>35,749</b>	<b>141,802</b>	<b>20%</b>
	<b>Total</b>	<b>1,495,446</b>	<b>696,950</b>	<b>798,496</b>	<b>47%</b>
	Shared cost allocation	150,469	88,880	61,589	59%
	<b>Grand total (1+2+3)</b>	<b>1,645,915</b>	<b>785,830</b>	<b>860,085</b>	<b>48%*</b>

### Notes

Actual expenditure for the IRM during the reporting period totalled USD 0.79 million against an approved 2022 annual budget of USD 1.6 million (48 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.

A portion of spending on the consultancy and operating costs budget is dependent on complaints received. The compliance investigation and problem solving processes have been completed for the IRM's case regarding FP146, Nicaragua, but the expenses have yet to be included in this budget execution report. This spending is expected to be reflected in the next budget execution report.

The IRM hired the Consensus Building Institute (CBI) to train the Grievance Redress Mechanisms (GRMs) of the GCF's Direct Access Entities (DAEs) through one global workshop throughout June and one-on-one expert advice throughout the rest of 2022. The IRM has also hired a translation and interpretation firm to handle its translation and interpretation work more efficiently and expeditiously. In addition, the IRM has contracted two civil society organisations to assist with its outreach activities.

The shared recruitment of Procurement staff for independent units has not yet taken place. Thus, the shared cost allocation stands at 59%, which is lower than where it would normally stand at the end of August.

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