

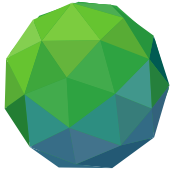
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Independent Integrity Unit (IIU)

*GCF Structured Dialogue with Africa
3-6 April 2018 | Bamako, Mali*

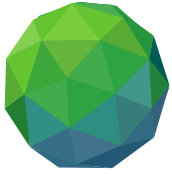
Ibrahim Pam

Head, IIU



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Mandate of the Independent Integrity Unit



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Mandate of the Independent Integrity Unit (IIU)

Investigate

- Investigate fraud & corruption in Fund-related activities



Integrity Standards

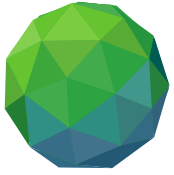
- Highest integrity standards by all staff, external stakeholders, implementing entities & intermediaries



Independence

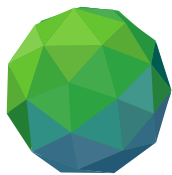
- Independent of the GCF Secretariat but work closely with it





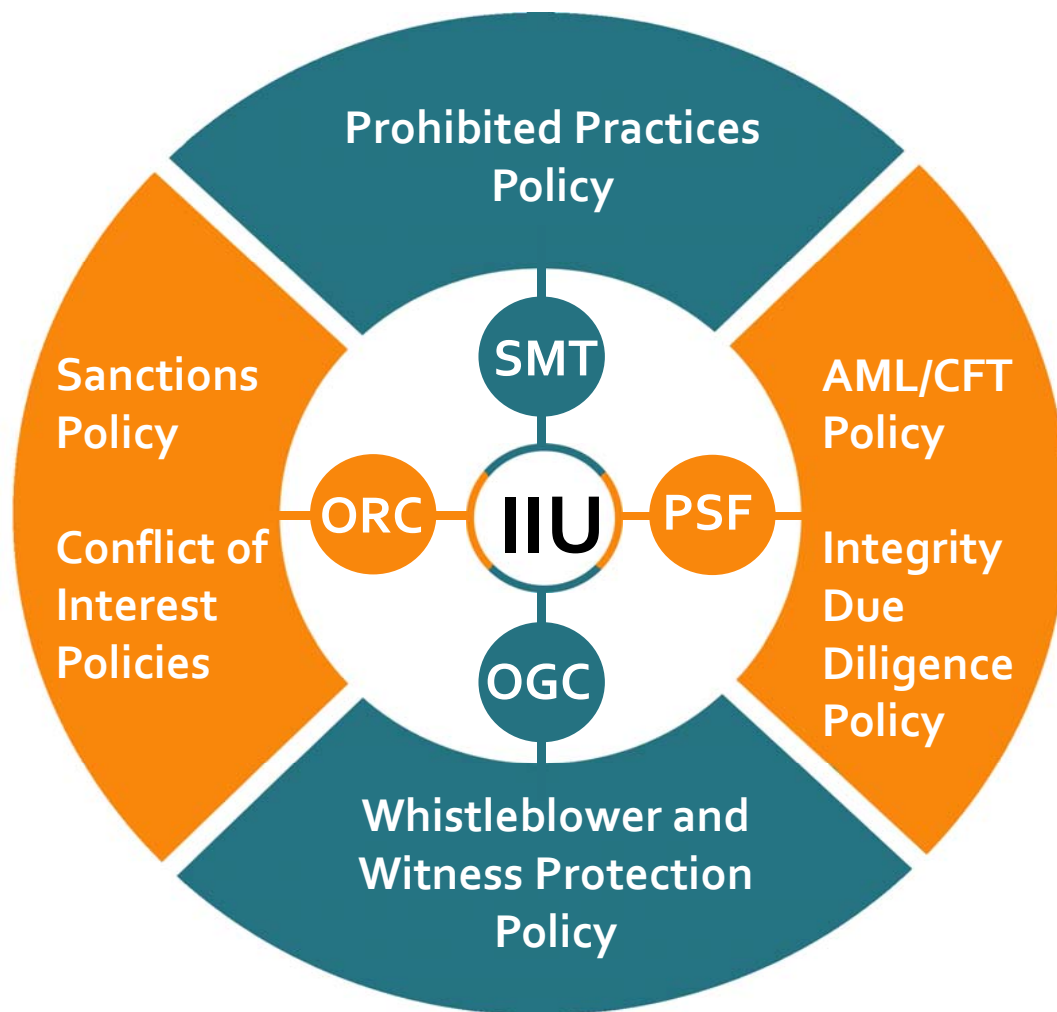
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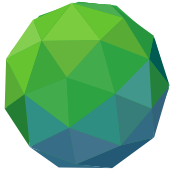
GCF Integrity Policies



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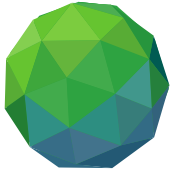
GCF Integrity Policies





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Prohibited Practices



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Prohibited Practices





Prohibited Practices:

Section 11.01, Readiness Grant Agreement

The Recipient shall:

- (i) adhere to Policy on Prohibited Practices;
- (ii) prevent, detect and respond to allegations of Prohibited Practices;
- (iii) promptly inform the Fund of any allegations of Prohibited Practices.



Prohibited Practices:

Section 10.01, Readiness Grant Agreement

The Recipient shall:

ensure that Grant proceeds are not used to support or promote violence, to aid terrorists or terrorist-related activity, to conduct money-laundering activities or to fund individuals or organizations known to support terrorism or that are involved in money-laundering activities.



Prohibited Practices:

Section 13.02, Readiness Grant Agreement

The Fund may terminate the Grant if:

(e) Prohibited Practices were engaged in without the Recipient having taken timely and appropriate action satisfactory to the Fund to address such practices



Prohibited Practices:

Section 13.03, Readiness Grant Agreement

Grant Refund:

If the Fund determines that the Grant has been used in a manner inconsistent with the Policy on Prohibited Practices, the Recipient shall promptly refund such amount to the Fund.



Prohibited Practices:

Clause 9.03, Accreditation Master Agreement

The Accredited Entity shall:

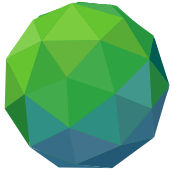
(a) apply its own fiduciary principles and standards relating to any 'know your customer' checks, anti-corruption, AML/CFT, fraud, financial sanctions and embargoes in order to comply with the Policy on Prohibited Practices



Events of Default: Clause 19(g), Accreditation Master Agreement

The Accredited Entity shall be in default of this Agreement if in respect of a Funded Activity, it has engaged in a Prohibited Practice without taking timely and appropriate action to address it





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Remedies following Event of Default: Clause 20(g), Accreditation Master Agreement

The Fund may:



Terminate the Agreement



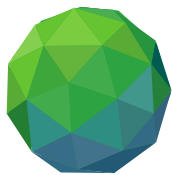
Suspend further payments



Seek refund or restitution



Claim damages



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Procurement Red Flags



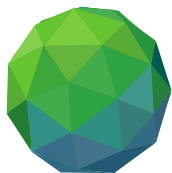
Procurement:

Section 8.01, Readiness Grant Agreement

The Recipient shall ensure adherence to the Procurement Plan agreed to by the Recipient and the Fund:

(a) Contracts shall be awarded on a transparent and on a competitive basis.

* [subject only to established exemptions included in written procurement policies and practices provided to the Fund and agreed in advance]



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Procurement Red Flags



Writing tender specifications in a way that favors a particular supplier



Frequently extending contracts and repeating awards to same contractor



Frequently using exemptions to circumvent competitive procurement



Accepting late or suspicious bids



Avoiding higher level review or competitive bidding by splitting contracts



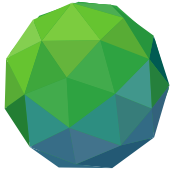
Submitting suspicious bids (e.g. fake companies or affiliates) to give the appearance of competition



Not declaring connections with bidder (conflict of interest)

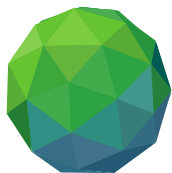


Losing bidders become subcontractors



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IIU Support and Cooperation



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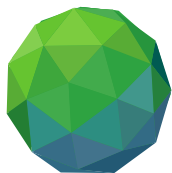
Support to Counterparties



**Develop an
integrity policy
framework and
procedures**

**Build
investigative
capacity and
conduct joint
investigations**

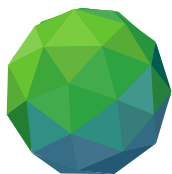
**Link with
national and
international
law
enforcement**



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Cooperation Agreements



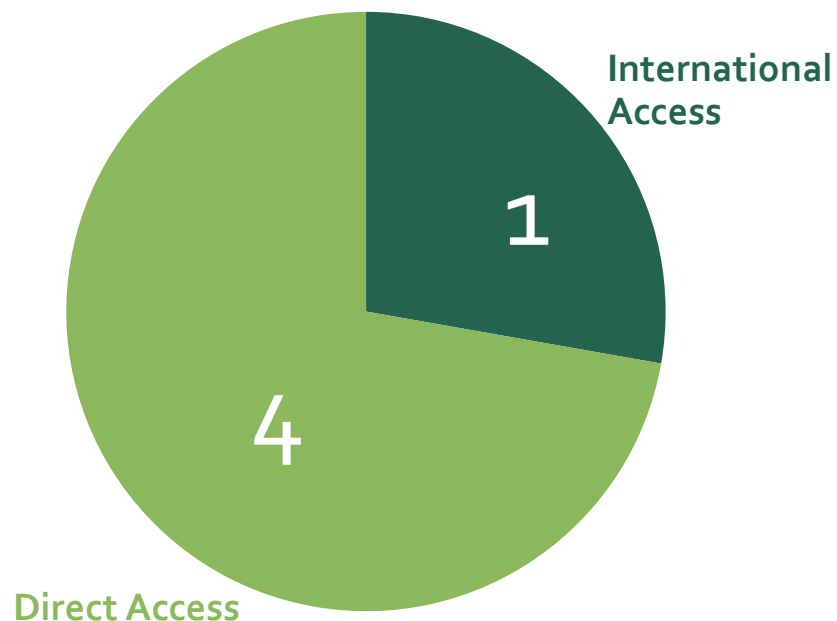


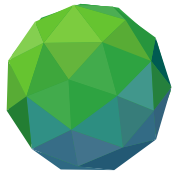
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MoUs between IIU & Entities

(as at 5 April 2018)

Entities	Status
CABEI, GIZ, Fundación Avina, SANBI, XacBank (5)	Signed
CDB, UNOPS, Acumen, CAF, CI, FAO, FECO, IFC, IUCN, KDB, KfW, MINIRENA, UCAR (13)	Under negotiation





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IIU Team





Overview of the Independent Integrity Unit (IIU)

Where to make ENQUIRIES

- Telephone: +82.32.458.6155
- Email: integrity@gcfund.org
- Website: greenclimate.fund/independent-integrity-unit
- Mail: Independent Integrity Unit
Green Climate Fund
Songdo Business District
175 Art Center-daero
Yeonsu-gu, Incheon 22004
Republic of Korea