
Redress

Independent Redress Mechanism

Grievances and Complaints

Eligibility Determination

GCF Project FP146: Bio-CLIMA: Integrated climate action to reduce deforestation and strengthen resilience in BOSAWÁS and Rio San Juan Biospheres

IRM Case: C-0006-Nicaragua

21 July 2021



**GREEN
CLIMATE
FUND**

Eligibility Determination

The Terms of Reference (TOR)¹ and the Procedures and Guidelines (PGs)² of the Independent Redress Mechanism (IRM) of the Green Climate Fund (GCF) set out how the IRM deals with grievances or complaints from a person, group of persons, or community who have been, or may be affected by the adverse impacts of a GCF funded project or programme. Once a grievance or complaint is received and registered by the IRM, the PGs require the IRM to determine if the grievance or complaint meets the eligibility criteria set out in paragraphs 20-21 and 23-24 of the PGs of the IRM. It is to be noted that this determination is procedural, and that it does not represent a judgement on the merits or the substance of the case.

SUMMARY OF ELIGIBILITY DETERMINATION

For reasons substantiated in greater detail in this document, the IRM determines that this complaint is **eligible** under the IRM's TOR and PGs.

COMPLAINT AND PROCEDURAL HISTORY

On 30 June 2021, the IRM received a complaint which the IRM acknowledged on 30 June 2021. The complainant(s) requested confidentiality, and the IRM is granting confidentiality in accordance with its TOR and PGs and as a result of its retaliation risk assessment. For confidentiality reasons, the complaint will not be published on the IRM's website.

The complaint relates to GCF funded project FP146, "Bio-CLIMA: Integrated climate action to reduce deforestation and strengthen resilience in BOSAWÁS and Rio San Juan Biospheres," a project based in the Caribbean Region of Nicaragua. The main objective of this project is to restore degraded forest landscapes in the Bosawás and Rio San Juan Biosphere Reserves. This project also aims to promote sustainable land-use management and forest management.³

FP146 was approved at the 27th meeting of the GCF Board on 13 November 2020. The Accredited Entity (AE) of this Project is the Central American Bank for Economic Integration (CABEI). As at the date of this eligibility determination, the GCF and the Accredited Entity have not signed the Funded Activity Agreement (FAA) relating to this project, and as such, no funds have yet been disbursed.

The complainant(s) brought to the IRM several concerns relating to this project. According to the complainant(s), the allegation is that:

1. they welcome the objectives of the project. However, the main concern is around the design and the implementation of the project;
2. the project itself will harm indigenous and Afro-descendant communities as prior to the approval of the project, there was no proper consultation with communities, including no free, prior, and informed consent (FPIC);
3. they fear that the Bio-CLIMA project will repeat history, including leading to environmental degradation and attacks by armed non-indigenous settlers against

¹ Available at: <https://irm.greenclimate.fund/document/irm-tor>

² Available at: <https://irm.greenclimate.fund/document/2019-procedures-and-guidelines-irm>

³ For more information on this Project, visit the GCF's website at: <https://www.greenclimate.fund/project/fp146>

- indigenous communities, resulting in the continuing usurpation of traditional and ancestral lands;
4. the indigenous communities affected by this project have been victims of multiple attacks, and the communities fear that the attention and money this project brings could further increase these attacks;
 5. the AE's actions do not seem to comply with the GCF's policies, especially on participation and information disclosure;
 6. the GCF Board imposed special conditions while approving the project to protect indigenous communities, and these conditions provide an opportunity to alleviate some of the risks to communities and to ensure the proper implementation of the project;
 7. however, the GCF Board conditions placed on the project, especially related to the implementation of FPIC and to the selection of independent third party monitor(s), will not be defined and complied with effectively, and therefore communities will be harmed. There is no certainty that the conditions will achieve their purpose of ensuring respect for the rights of indigenous peoples and proper supervision of the project for the benefit of the communities;
 8. the Board's conditions will only serve its purpose if it is implemented in a way that includes the participation of the affected communities and of civil society that monitors the GCF, and the project is properly supervised through the appointment of independent third parties as set out in the Board's conditions; and
 9. the executing entity will not fulfil its obligations in the implementation of the Bio-CLIMA project.

During the phase of eligibility determination, the IRM obtained further information from the complainant(s). Based on the information gathered by the IRM, the IRM, *prima facie* concludes that the eligibility criteria, as set out in more detail below, are met.

ELIGIBILITY CRITERIA

The IRM examined the eligibility of the complaint against the eligibility criteria set out in paragraphs 20-21 and 23-24 of the PGs of the IRM. The primary eligibility criteria and the IRM's findings in relation to these criteria are set out in the table below.

Criterion	Yes/No	Reason(s)
Was the grievance or complaint filed by a person, group of persons, community (or any duly authorised representative of the aforementioned groups) who have been or may be affected by the adverse impacts of a GCF funded project or programme?	Yes	The complainant(s) are a person, group of persons or community directly affected by a GCF funded project, namely FP146. As set out above, the complainant(s) have been or may be affected by the adverse impacts of a GCF funded project or programme.

<p>Was the grievance or complaint submitted to the IRM before whichever is the later of the following two dates:</p> <p>(a) Two years from the date the complainant becomes aware of the adverse impacts referred to in paragraph 20 of the PGs; or</p> <p>(b) two years from the closure of the GCF funded project or programme.</p>	<p>Yes</p>	<p>The complaint was submitted on 30 June 2021. At the time of submission, the project was approved, and the GCF and AE have not yet signed the Funding Activity Agreement or disbursed funds for the project. The complaint was accordingly submitted to the IRM before the later of the dates mentioned in paragraph 23 of the IRM's PGs.</p>
<p>Does the grievance or complaint fall into any one or more of the exclusions listed in paragraph 24 of the PGs?</p>	<p>No</p>	<p>None of the exclusionary criteria appear to be triggered by this complaint.</p>

ELIGIBILITY DETERMINATION

For the reasons stated above, the IRM determines that this complaint is **eligible** under the IRM's TOR and PGs. The IRM will now engage with the complainant(s) and other stakeholders to further evaluate the issues in the complaint, and to provide further information on the next steps and options available with regard to processing the complaint. For further information on the process that the IRM will follow, please refer to paragraph 36 of the PGs.

[Signed]

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