GCF DOCUMENTATION ACCOUNTABILITY

Redress



Independent Redress Mechanism

Grievances and Complaints
Second extension of time for compliance review

GCF Project: FP039

Case C-0009-Egypt

Date 12 September 2025

IRM Second Extension of Time Decision - Compliance Review

GCF Project FP039 - GCF-EBRD Egypt Renewable Energy Financing Framework

Date 12 September 2025

- 1. On 9 December 2022, the IRM declared eligible two complaints submitted to the IRM in relation to GCF funded project/programme FP039, "GCF-EBRD Egypt Renewable Energy Financing Framework.".¹ The Accredited Entity for this programme is the European Bank for Reconstruction and Development (EBRD). The complainants ('Complainant #1 and Complainant #2) raised a number of issues that were broadly grouped into concerns related to (i) community development, and (ii) labour and working conditions, for the purposes of complaints handling processes.
- 2. At the conclusion of the initial steps, Complainant #1 and Complainant #2 both agreed to consider problem solving under the facilitation of the IRM.² The problem-solving phase commenced on 7 April 2023 and concluded on 20 April 2024. At the conclusion of the problem-solving phase, a Problem-Solving Agreement on community-development issues was reached with parties, including Complainant #1 and Complainant #2.³
- 3. Regarding the complaint on labour and working conditions brought forward by Complainant #2, parties were unable to reach an agreement and as a result, as of 27 April 2024, the IRM closed the problem-solving phase and referred Complainant #2's complaint to compliance review. The IRM conducted a compliance appraisal and on 12 July 2024 concluded in respect of those issues, there is *prima facie* evidence of adverse impacts and noncompliance with GCF operational policies and procedures by GCF Programme FP039. Accordingly, the IRM has commenced a compliance investigation in respect of Complainant #2's case.
- 4. Regarding the complaint on labour and working conditions brought forward by Complainant #1, the IRM initially reached a Problem-Solving Agreement and proceeded to the monitoring phase. In July 2024, during the monitoring phase, Complainant #1 communicated to the IRM that he wished to refer his labour-related issues in his complaint to compliance review. As a result, the IRM closed the problem-solving phase and referred Complainant #1's labour-related issues to compliance review, as of 14 July 2024. The IRM conducted a compliance appraisal and on 13 September 2024 concluded in respect of those issues, there is *prima facie* evidence of adverse impacts and non-compliance with GCF operational policies and procedures by GCF Programme FP039.⁶ Accordingly, the IRM has commenced a compliance investigation in respect of Complainant #1's case.

¹ Eligibility Determination can be found here: <u>C0009 Egypt | Independent Redress Mechanism | Green Climate</u>

² The initial steps report is available at: https://irm.greenclimate.fund/sites/default/files/case/initial-steps-report-c-0009-egypt-final-web.pdf

³ Final Problem-Solving Conclusion Report – Community related matters: Microsoft Word -

IRM Case C0009 Final Problem Solving Conclusion Report (Community Complaint) web (greenclimate.fund)

⁴ Final Problem-Solving Conclusion Report – Labour Complaints <u>Microsoft Word - IRM Case C0009 Final Problem Solving Conclusion Report (Labour Complaints) web (002) (greenclimate.fund)</u>

⁵ Compliance Appraisal Report – Labour Complaint (Complainant #2) <u>compliance-appraisal-report-c0009-egy-jul12.pdf (greenclimate.fund)</u>

⁶ Compliance Appraisal Report – Labour Complaint (Complainant #1) <u>irm-case-c0009-egy-compliance-appraisal-report-13sep2024.pdf (greenclimate.fund)</u>

- 5. In the interest of efficiency, the IRM consolidated the Scope of Compliance Investigations set out in the respective appraisal reports into a single compliance investigation which will address the facts asserted by Complainant #1 and Complainant #2 separately.
- 6. According to paragraph 62 of the IRM's Procedures and Guidelines (PGs),⁷ a compliance investigation should ordinarily be completed within one (1) year of the publication of the IRM's appraisal report on its website. Therefore, the consolidated Scope of Compliance Investigation maintained the completion date for the compliance investigation as 12 July 2025. A first extension of time was made on 9 July 2025, extending the completion date to 5 September 2025.
- 7. On 11 July 2025, the draft compliance report was shared for consultation with the GCF Secretariat and the Accredited Entity (EBRD), with comments to be received within 21 days of receipt of the report as per paragraph 60 of the IRM's Procedures and Guidelines (PGs). An Arabic translation was dispatched to complainants for consultation in two parts on 22 and 31 July 2025. The GCF Secretariat and EBRD requested and were granted extensions of the deadline for provision of comments, until 29 August and 5 September 2025, respectively. After consultations with the Secretariat, the Secretariat was given an additional 5 working days to amend its original submission. After consultations with one of complainants, it was determined that the complainant was not able to properly access the draft report, and therefore the IRM is working with the complainant to ensure their ability to clarify their already-submitted comments, in line with ensuring IRM accessibility to complainants.
- 8. To date the IRM has received nearly 200 comments totaling approximately 20,000 words, with more expected as clarifications are processed. These comments speak to the draft report's factual findings, policy conclusions, and proposed recommendations, and often in divergent ways. The IRM therefore requires time to process the stakeholders' feedback in a comprehensive and thorough manner.
- 9. Acting in terms of paragraph 95 of the PGs, the IRM has decided to extend the time limit for the conclusion of the compliance investigation phase from 5 September 2025 to 15 December 2025.

[Signed]

Preksha Krishna Kumar

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Approved By:

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⁷ Available here: <u>2019 Procedures and Guidelines of the IRM | Independent Redress Mechanism | Green Climate Fund</u>