

Redress



GREEN
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FUND

Independent
Redress
Mechanism

Compliance Appraisal Report

Case C-0009-Egypt

FP039: GCF-EBRD Egypt Renewable Energy Financing Framework

July 2024

ABOUT THE INDEPENDENT REDRESS MECHANISM

The Independent Redress Mechanism (IRM) is an accountability and redress mechanism established by the Green Climate Fund (GCF) to increase the effectiveness of the GCF's operations, and to be responsive to the concerns of people adversely affected by GCF funded projects or programmes.

The IRM is mandated to receive and consider complaints from people who believe they have been, or may be, adversely impacted by GCF projects or programmes failing to implement GCF policies and procedures.

The IRM is independent of the GCF Secretariat, and reports directly to the GCF Board, which oversees the GCF's investments and management.

ABBREVIATIONS

Abbreviation	Definition
AE	Accredited Entity
AfDB	African Development Bank
AfDB Management Response	African Development Bank Management Response to the Notice of Registration of a Complaint Relating to Photovoltaic Solar Power Projects in Egypt, Under the Feed-in-Tariff (FiT) Program in Egypt, Complaint Number RQ2022/04 (Egypt)
AMA	Accreditation Master Agreement
APR	Annual Performance Report
Board Decision	Decision taken by the Board of Directors of the GCF
BSDA	Benban Solar Developers Association
EBRD	European Bank for Reconstruction and Development
EE	Executing Entity
EEAA	Egyptian Environmental Affairs Agency
ESP	GCF 2018 Environmental and Social Policy
ESAP	Environmental and Social Action Plan
ESIA	Environmental and social impact assessment
ESMP	Environmental and Social Management Plan
ESMFS	Environmental and Social Management Framework and System
ESS	Environmental and Social Safeguards
FAA	Funding Activity Agreement
FMC	Facilities Management Company
FP	Funding Proposal
FP039	GCF Funded Programme FP039: GCF-EBRD Egypt Renewable Energy Financing Framework
GCF	Green Climate Fund
HSH	Health and Safety Home for Investment Company
IESC	Independent Environmental and Social Consultant
IFC	International Finance Corporation
Interim ESS	GCF Interim Environmental and Social Safeguards
IRM	Independent Redress Mechanism
MAF	GCF 2015 Monitoring and Accountability Framework
NREA	New & Renewable Energy Authority
Park	Benban Solar Park
PGs	Procedures and Guidelines of the Independent Redress Mechanism
PS	IFC 2012 Performance Standards
RMF	GCF Risk Management Framework
Secretariat Response	Written revised response of the GCF Secretariat dated 2 July 2024 to the IRM Request for Response in Case C-0009-Egypt dated 11 May 2024
SESA	Strategic Environmental and Social Assessment
TOR	Terms of Reference of the Independent Redress Mechanism of the GCF

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I. EXECUTIVE SUMMARY

In December 2022, the Independent Redress Mechanism (IRM) declared eligible two complaints submitted in relation to GCF Programme FP039: *GCF-EBRD Egypt Renewable Energy Financing Framework*. The Accredited Entity for the Programme is the European Bank for Reconstruction and Development (EBRD). The complainants did not request confidentiality but as a result of the IRM's retaliation risk assessment and to protect personal information, the IRM is not disclosing the names of the complainants.

IRM Case C-0009-Egypt consists of two complainants (Complainant #1 and Complainant #2) who raised several issues that were grouped into concerns related to (1) community-development, and (ii) labour and working conditions. At the conclusion of the initial steps phase, both complainants agreed to consider problem-solving under the facilitation of the IRM.

The problem-solving phase commenced on 7 April 2023 and concluded on 20 April 2024. Issues raised in the complaint regarding community development were resolved through the IRM's problem-solving function. However, labour and working conditions issues raised by Complainant #2 were not resolved within the time period provided for under the IRM's Procedures and Guidelines and consequently these issues were transferred to the IRM's compliance review function on 27 April 2024 for compliance appraisal.

GCF finance provided under FP039 has been disbursed by the Accredited Entity, EBRD, to provide loans to a total of eight subprojects at Benban Solar Park. The overall Park site has been allocated by the government of Egypt to a public authority; the New & Renewable Energy Authority. The site extends over some 37 square kilometres and is divided into 41 sub-plots, all of which have been allocated to developers. Common services and facilities are provided by a Facilities Management Company (FMC). Six of the eight loans provided by GCF were repaid in 2022 following refinancing through a green bond issue which GCF did not participate in.

This compliance appraisal report concerns labour and working conditions and grievance management systems relevant to the GCF-EBRD subproject sites in the Benban Solar Park in Aswan Governorate, Egypt. The IRM notes that the accountability mechanisms of two other international financial institutions, the African Development Bank and the International Finance Corporation, are also currently handling complaints regarding the Benban Solar Park.

The complaint that gives rise to the present compliance appraisal was submitted to the IRM in November 2022 by a former employee of the FMC, where she was a community communication officer. She asserted that she had been arbitrarily dismissed after she had asked questions about a draft contract of employment that she had been asked to sign to extend her employment. The FMC was contracted by the Benban Solar Developers Association (BSDA), an association whose membership was formed of developers at Benban. BSDA further plays a role in the management of environmental and social safeguards risks for the projects financed under the GCF-funded Programme.

The complaint raises questions about the compliance of the Programme with Performance Standards 1 and 2 of the GCF's interim environmental and social safeguards; the GCF's 2018 Environmental and Social Policy; Initial Proposal Approval Process, including the Criteria for Programme and Project Funding; the GCF Risk Management Framework and constituent policies (including initial and revised guidelines applicable during consideration of FP039 and subsequent revisions following approval and implementation of FP039)¹ and the GCF's 2015 Monitoring and Accountability Framework for Accredited Entities.

¹ The Risk Management Framework consists of nine policies, a majority of which were adopted during or shortly after the approval of FP039 (during the 17th and 19th meeting of the GCF Board). In the period since FP039 approval, the GCF updated certain elements of its risk management policies and procedures. When considering

Since the BSDA and FMC were not directly financed through the Programme, the IRM has considered whether acts or omissions regarding the BSDA and FMC could properly be considered to fall within the scope of Programme non-compliance. Taking account of the 2018 Environmental and Social Policy and Performance Standards 1 and 2, the IRM has concluded on the basis of the information currently available to it that they can.

Both the BSDA and the FMC's roles flow directly from a Strategic Environmental and Social Assessment (SESA) prepared for development of the Benban site. They had played significant roles in the delivery of the SESA's Environmental and Social action Plan and in developing and implementing common standards, including on labour and working conditions and the grievance management system at Benban. Lenders including EBRD did not have contractual relationships with either the FMC or the BSDA.

Information currently available indicates that there were gaps in the network and implementation of policies and systems regarding labour and working conditions and the grievance mechanism at Benban during the period since the appointment of the FMC for the operations and maintenance phase. Monitoring of the FMC on behalf of the Accredited Entity highlighted a need for corrective actions, though the monitoring situation during the key period of concern for the complainant is not yet clear. It appears that significant progress in addressing actions identified through monitoring had been made by early 2024, but this has not remedied the adverse impacts described by the complainant. The GCF did not have, nor did it seek detailed insights into the FMC's performance or about the implementation of grievance and redress mechanism as a result of complaints or the AE's annual reports, though it sometimes sought additional information and was aware generally that complaints had been made.

After consideration of information currently available, the IRM concludes that there is *prima facie* evidence of adverse impacts and non-compliance with GCF operational policies and procedures by GCF Programme FP039, *GCF-EBRD Egypt Renewable Energy Financing Framework*. Consequently, as stipulated in para. 55 of its Procedures and Guidelines, the IRM will commence a compliance investigation.

roles and responsibilities, the IRM will need to analyse separately the applicable policy environment and relevant updates during (i) initial proposal consideration and (ii) post-approval project/programme monitoring. See <https://www.greenclimate.fund/about/policies/risk-management-framework>

II. INTRODUCTION

1. This report documents the Green Climate Fund (GCF) Independent Redress Mechanism (IRM) compliance appraisal in IRM Case C-0009-Egypt.² It concerns a complaint received by the IRM in November 2022 regarding labour and working conditions at the Facilities Management Company (FMC) of the Benban Solar Park (the Park) in Aswan Governorate, Egypt.
2. Over a period beginning in 2017, the Green Climate Fund has provided loans to certain subprojects at the Park through its Accredited Entity (AE), the European Bank for Reconstruction and Development (EBRD), under GCF Programme FP039 - *GCF-EBRD Egypt Renewable Energy Financing Framework* (the Programme or FP039).³ The issues raised in the complaint that forms the subject of this report were transferred to the compliance function of the IRM in April 2024 following an unsuccessful IRM problem-solving process.
3. This report provides a background to FP039 and to the complaint; describes relevant GCF operational policies and procedures; and assesses whether there is *prima facie* evidence of adverse impacts through non-compliance of the Programme with GCF operational policies and procedures. Since the IRM concludes that there is such evidence and recommends a compliance investigation, the report also includes terms of reference for a compliance investigation.
4. The compliance appraisal and this report have been prepared in accordance with the updated Terms of Reference (TOR) and Procedures and Guidelines of the IRM (PGs).⁴

III. BACKGROUND

5. In July 2015, by means of Board Decision B.10/06, GCF's Board approved the accreditation of EBRD as a GCF Accredited Entity.⁵ Thereafter, GCF and EBRD signed an Accreditation Master Agreement (AMA) dated 22 April 2017. The AMA establishes the overall framework for EBRD's collaboration with GCF, and the parties' respective roles and responsibilities. Pursuant to its accreditation, EBRD submitted a funding proposal FP039, *GCF-EBRD Egypt renewable energy financing framework*, to the GCF. The Secretariat assessed the proposal and FP039 was approved by the Board on 15 March 2017 (Board Decision B.16/07/Add.02);⁶ a few weeks prior to the date of the AMA.
6. At the time of Board approval, the Programme was assessed as falling under environmental and social risk Category B.⁷ Category A subprojects were excluded from receiving GCF funding.⁸ The Funded Activity Agreement (FAA) and related Environmental and Social Management Framework System (ESMFS) have since been amended for reasons unrelated to the present complaint.⁹
7. FP039 aims to accelerate the early stage of development of Egypt's renewable energy generation market by supporting development of a critical mass of private sector-driven generation projects

² See C0009 Egypt <https://irm.greenclimate.fund/case/c0009-egypt>

³ See FP039: GCF-EBRD Egypt Renewable Energy Financing Framework | Green Climate Fund <https://www.greenclimate.fund/project/fp039>

⁴ See Procedures and Guidelines of the IRM <https://irm.greenclimate.fund/document/2019-procedures-and-guidelines-irm>

⁵ See GCF/B.10/03 : Consideration of Accreditation Proposals [gcf-b10-03.pdf \(greenclimate.fund\)](https://www.greenclimate.fund/gcf-b10-03.pdf)

⁶ See GCF/B.16/07/Add.02 Funding proposal package for FP039 <https://www.greenclimate.fund/document/gcf-b16-07-add02>

⁷ See Funding proposal package for FP039.

⁸ See Approved Funding Proposal FP039, page 26: <https://www.greenclimate.fund/document/gcf-ebrd-egypt-renewable-energy-financing-framework>

⁹ Per the Secretariat Response to IRM Case C-0009-Egypt, received 2 July 2024 and further noted in the Post-Approval Environmental and Social Safeguards Report for FP039. The Risk Category of the Programme has been upgraded to Category A from Category B following the addition of a new wind power subproject to the Programme <https://www.greenclimate.fund/document/post-approval-environmental-and-social-safeguards-ess-report-fp039-gcf-ebrd-egypt-renewable>

and strengthening of the regulatory context for renewable energy in Egypt. Component 1 (up to USD 4.7 million in non-reimbursable GCF grant funding) is a technical assistance programme to create an enabling environment for private sector renewable energy investment in Egypt; and Component 2 (up to USD 150 million in reimbursable GCF loan finance) supports the development and construction of solar and wind projects in Egypt totalling USD 1 billion.

8. Implementation of Component 2 includes GCF-financed subprojects at the Benban Solar Park, which is located in Aswan Governorate, Upper Egypt. The site extends to over 37 square kilometres and was anticipated to generate around 1400 GWh electricity annually, equivalent to the annual energy consumption needs of over 800,000 Egyptians.¹⁰ The site is divided into a total of 41 sub-plots, with common services and facilities provided by a Facilities Management Company. All 41 sub-plots have been allocated to developers by the New & Renewable Energy Authority (NREA), to whom the government of Egypt had allocated the overall site for use for renewable energy generation.¹¹ Multiple international financial institutions have supported project developers, in different combinations; among them EBRD, the International Finance Corporation (IFC) and the African Development Bank (AfDB).
9. GCF reimbursable debt finance has been provided under FP039 to a total of eight subprojects at the Park through GCF's Accredited Entity, EBRD. Of these eight, six subprojects were subsequently refinanced by means of a green bond and GCF loans were repaid in full in 2022.¹² For the avoidance of doubt, the IRM notes that the GCF-financed subprojects have not been co-financed by either IFC or the AfDB, whose accountability mechanisms are also currently processing complaints regarding labour and workplace issues at the Benban Solar Park.¹³
10. The aggregate GCF loan amount for the eight FP039 Benban subprojects (including six that were repaid in 2022) has been USD 62.1 million.¹⁴ The current expected Completion Date is 8 September 2024. This is the date by which the AE is expected to have finalized the implementation of all activities outlined in Components 1 and 2 of the Programme.
11. The complaint raises questions about the relationship between FP039 and the Benban Solar Developers Association (BSDA) and site-wide FMC at Benban Solar Park. At the time of relevant events, the FMC was Health and Safety Home for Investment Company (HSH) - the complainant's previous employer. Formally, the IRM understands that the FMC was appointed by contract to the BSDA, whose members were developers (or 'sponsors') at the Benban Solar Park, and appear to have included the GCF-funded subproject sponsors.¹⁵ As explained further below, FP039's Environmental and Social Safeguards (ESS) framework envisaged that the BSDA and FMC would

¹⁰ See Approved Funding Proposal FP039, page 10. In Component 2, the programme aims to leverage EBRD and GCF finance to attract additional investments from international and development financial institutions and commercial banks, as well as equity investments from the project sponsors. The framework overall envisages debt financing from GCF and EBRD of up to USD 500 million, with the aggregate value of USD 150 million of GCF loans representing co-financing of up to 15% of total project costs in any single project. The programme is based on EBRD providing financing representing up to 35% of the cost of each project, with the remaining debt expected to be provided by other lenders. The equity contribution would be 25% of the project costs, translating into investment from the private sector of USD 250 million.

¹¹ Strategic environmental and social assessment (SESA), page 10. See: <https://www.ebrd.com/work-with-us/projects/psd/egypt-renewable-feedintariff-framework.html>

¹² See further <https://www.ebrd.com/news/2022/ebd-invests-in-scatec-green-bond-.html>

¹³ See Egypt: Benban Solar 01-07, <https://www.cao-ombudsman.org/cases> and AfDB RQ 2022/04: Benban PhotoVoltaic Solar Park – Egypt: [Benban PhotoVoltaic Solar Park - Egypt | Independent Recourse Mechanism \(IRM\) \(afdb.org\)](https://www.afdb.org/sites/default/files/documents/compliance-reviews/english_egypt_-_benban_solar_park_fit_-_management_response.pdf)

¹⁴ GCF Secretariat Response

¹⁵ See African Development Bank, *Management Response to the Notice of Registration of a Complaint Relating to Photovoltaic Solar Power Projects in Egypt, Under the Feed-in-Tariff (FiT) Program in Egypt, Complaint Number RQ2022/04* ('AfDB Management Response'). Available online at https://www.afdb.org/sites/default/files/documents/compliance-reviews/english_egypt_-_benban_solar_park_fit_-_management_response.pdf

play important roles in the mitigation and management of environmental and social risks at the Benban Solar Park.

Background to IRM Case C-0009-EGYPT

12. On 28 September 2022, the IRM received and acknowledged a complaint submitted by a former employee of the Facilities Management Company (FMC) at the Benban Solar Park in Aswan Governorate, Upper Egypt. That complaint was later resolved through an IRM problem-solving process and does not form part of the present compliance appraisal. Thereafter, on 8 November 2022, the IRM received a second complaint submitted by a former employee of the FMC. That complaint was acknowledged on 11 November 2022.
13. The two complaints raised issues that were broadly grouped into concerns relating to (i) community development, and (ii) labour and working conditions, for the purposes of the complaints handling process. Only the labour and working conditions issues raised by the second complainant (in November 2022) are addressed in this compliance appraisal report.
14. The complainants did not request that their identities be kept confidential but following a retaliation risk assessment conducted by the IRM, and to protect personal information, the IRM decided not to disclose the names of complainants in its communications regarding the case.
15. In December 2022, the IRM determined that the two complaints were eligible under its updated Terms of Reference (TOR) and the IRM's Procedures and Guidelines (PGs).¹⁶ Consequently, the IRM began to engage with both complainants in accordance with the Initial Steps Phase.¹⁷ Both complainants opted to engage in problem-solving to resolve their complaints. At the conclusion of the problem-solving phase, one complainant was unable to reach a resolution of her complaint related to labour and working conditions and subsequently, the complaint was referred to compliance review, as of 27 April 2024.
16. On 11 May 2024, in accordance with para. 51 of the PGs, the IRM requested that the GCF Secretariat provide a response to the complaint by 01 June 2024. On 17 May 2024 the Secretariat requested a time extension to 11 June, and this was granted by the Head of the IRM on 20 May 2024 pursuant to para. 95 of the PGs. The Secretariat's Response was subsequently submitted on 12 June 2024. The IRM was expected to conclude the compliance appraisal phase on 2 July 2024. However, following the receipt of several project-related documents that required additional review and a revised version of the initial GCF Secretariat Response, the IRM extended the deadline for the conclusion of the compliance appraisal phase to 12 July 2024.
17. The Secretariat's Response to IRM Case C-0009-Egypt indicates that the Secretariat had engaged with the AE during the preparation of the document. The AE also later agreed to meet with the IRM to discuss the complaint. Where relevant, this report includes contextual information from the IRM's discussion with the AE.

¹⁶ See IRM Case C-0009-Egypt: <https://irm.greenclimate.fund/case/c0009-egypt>

¹⁷ Per the PGs, under the Initial Steps Phase the IRM engages with the complainant to: (a) understand the issues in the complaint; (b) provide further information regarding problem solving and compliance review; (c) ascertain whether the complainant would like to pursue problem solving and/or compliance review; and (d) ensure that the complainant is able to make an informed decision. See [procedures-and-guidelines-irm-final-july-2021_0.pdf \(greenclimate.fund\)](#)

IV. COMPLIANCE REVIEW HISTORY

Summary of Issues Transferred to Compliance Review

18. The second complainant's concerns regarding labour and working conditions arise out of a period when she was employed as a community communication officer by Health and Safety Home for Investment Company (HSH). HSH was at the relevant time a contractor to the BSDA at the Benban Solar Park and was the facilities management company for the site.
19. The complainant started working at Benban Solar Park in early 2018 and was employed under a series of fixed-term contracts. Initially, from 2018, her employer was Hassan Allam Asset Property Management, but in 2020 that company was succeeded as FMC at the Benban Solar Park by HSH. The complainant has told the IRM that her first contract with Hassan Allam was for one year and that this was renewed for another year, and lasted until HSH took over as FMC. The complainant's first contract with HSH appears to have been for a fixed term of twelve months from 24 November 2020.
20. Prior to the end date of her first contract with HSH, in September 2021, the complainant was given two copies of a draft version of a new one-year contract. The IRM, the GCF Secretariat, and AE have been provided with a digital version of that draft contract. Provisions including the description of the role and the salary had not been completed. The complainant had questions about these and other terms and was concerned not to sign an incomplete contract. The complainant and other workers were informed by email that if they did not return the contract, in person, by a certain date, their contracts would not be renewed.¹⁸ At the suggestion of a senior human resources manager in a conversation witnessed by other workers, she contacted HSH management via email to ask her questions. The complainant says that she did not receive a reply.
21. Shortly after sending her email, the complainant learned through a third party, whilst she was at an off-site training session, that a notice had been posted on a noticeboard in a public place at her employer's premises in the Benban Solar Park which stated that her contract would not be extended beyond 23 November 2021, the date on which her first contract with HSH would have concluded. The complainant has shared a photograph of this notice with the IRM. She says that she did not receive any other verbal or written communication of the decision not to extend her contract. The complainant has told the IRM that from this point she was shut out of the Park's and HSH's computer systems. She did not return to work. The complainant considers that her employment was improperly terminated. She received some further pay but believes that this was less than her entitlement. The notice document states that HSH would pay her full monthly salary until the end of her contract.
22. The complainant has provided the IRM with a social security payment record print-out. This suggests that HSH made social security payments from 11 April 2021, not November 2020 when the complainant's contract with them began. The complainant adds that HSH did not at any time make payments for health insurance to which she asserts she was entitled. The IRM also understands from the complainant that there were difficulties with arrangements for the return of a company laptop after her employment had been terminated. The complainant asserts that after HSH was appointed as FMC, workers were discouraged from raising grievances or making complaints and believed that their employment was at risk if they did so.
23. The complainant believes that the termination of her employment was retaliatory, and that the notice was intended to intimidate other workers. She found the noticeboard announcement deeply humiliating and considers that not only was her treatment contrary to her contract of employment; but that it was also wholly culturally inappropriate in the context of South Upper Egypt's customs and traditions. The complainant told the IRM that her treatment had caused social

¹⁸ The IRM has seen a copy of this email.

problems and great psychological suffering. She believes that she is entitled to compensation for what she considers to be unfair and arbitrary dismissal.

24. The complainant informed the IRM that in September 2021 she had filed a complaint with the Labour Office, which later led to proceedings before Egyptian courts. At the time of writing, the case was under appeal from a first instance decision. The IRM has not at this stage reviewed court documents. The complainant told the IRM that she had also complained about the termination of her employment to the BSDA, and that in response she had been advised to raise her concerns with the FMC.
25. Following termination of her employment with HSH, the complainant began to look for alternative work. She informed the IRM that she had received one offer, but that this was later withdrawn. The complainant believes that this was because the prospective employer had been told that she had made complaints.
26. The adverse impacts raised by the complainant include non-payment and loss of earnings and of other employment benefits (notably health and social security payments); non-payment of compensation for unfair and arbitrary dismissal; psychological distress and social problems resulting from the way in which the complainant's employment ended; and reduction in and/or loss of alternative employment opportunities.

Summary of the Secretariat Response

27. In the Secretariat's view, all appropriate actions in compliance with relevant GCF policies and procedures have been undertaken so far with respect to the concerns raised in the complaint. The Secretariat's Response summarizes the background to the FP039 Programme; outlines the ESS framework for the Programme as a whole and certain contractual obligations of the AE; and summarizes monitoring of issues raised in the complaint by GCF and the AE as presented in the AE's Annual Performance Reports (APRs).
28. The Secretariat's Response asserts that EBRD has reported 'consistently' to GCF on its ongoing monitoring of the labour complaints at Benban, and that the Secretariat has also followed up on these reports and monitored the complaints in coordination with EBRD. The Secretariat notes that it enquired about actions taken by the AE to improve working conditions and strengthen labour management against the background of the IRM complaint, and that EBRD responded that it had monitored the activities of HSH and that all findings are reported back by way of the BSDA for corrective action. The Secretariat records that in its most recent annual report to GCF, EBRD stated that it had monitored the subproject sponsors' reliance on the FMC via the BSDA using an outside environmental and social adviser.

V. COMPLIANCE APPRAISAL

29. This compliance appraisal report considers whether there is *prima facie* evidence that the complainant has been affected or may be affected by adverse impacts through non-compliance of FP039 with GCF operational policies and procedures. For these purposes, the IRM has focused on adverse impacts on the complainant associated with labour and working conditions issues and lack of meaningful access to a worker grievance redress mechanism.

Procedural steps taken by the IRM

30. The IRM's compliance appraisal has included the following steps:
 - Review of the complaint and public outputs from the IRM Case Register;
 - Engagement with the complainant to prepare a summary of issues raised for the Request for Secretariat Response;

- Initial review of programme documentation held electronically by the GCF Secretariat and/or disclosed publicly, including the FP039 funding proposal and Board decision; a strategic environmental and social assessment (SESA) prepared for the Benban Solar Park, the Environmental and Social Management Framework and System (ESMFS) applicable to FP039 (in original and revised versions), APRs for each year from 2017-2023, AMAs between GCF and EBRD, and the FAA for FP039;
 - Consideration of the GCF Secretariat’s Response;
 - Analysis of relevant GCF operational policies and procedures;
 - Virtual meetings between the IRM and the complainant; a hybrid virtual and in-person meeting between the IRM and the GCF Secretariat; and a virtual meeting between the IRM and EBRD, which Secretariat team members also joined as observers;
 - Requests for additional documents from the complainant, the Secretariat and the AE, and consideration of responses and additional documents received, including a revised Secretariat Response; and
 - Initial contact with the Independent Recourse Mechanism of the African Development Bank to better understand its investigation timeline in an ongoing compliance investigation¹⁹ that considers, in part, certain labour and workplace issues at the FMC.
31. The IRM has not met with subproject sponsors, nor with the BSDA or HSH, during the compliance appraisal phase and has therefore relied principally on the Secretariat Response and internal Programme documentation, together with additional information provided during and following meetings with the Secretariat and EBRD in June 2024. Where relevant, the IRM has also considered information presented in a response of the African Development Bank (AfDB) Management to a complaint to the Independent Recourse Mechanism of the AfDB.²⁰

Key questions for compliance appraisal

32. The IRM’s compliance appraisal centres on the following question:

Is there *prima facie* evidence²¹ to suggest that the adverse impacts that the complainant asserts she has experienced result from non-compliance of the GCF funded Programme FP039 *GCF-EBRD Egypt Renewable Energy Financing Framework* at Benban Solar Park in Aswan Governorate, Egypt, with GCF operational policy/ies and/or procedures?

The PGs provide that if a compliance appraisal report concludes that there is *prima facie* evidence of adverse impacts and/or non-compliance with GCF operational policies and procedures by a GCF funded project or programme, the IRM will commence a compliance investigation.²²

33. An important preliminary issue arises. The IRM must consider whether there is *prima facie* evidence of **Programme** non-compliance (emphasis added), that has resulted in the adverse impacts described by the complainant. Since the Programme has not involved the direct provision of GCF finance to the BSDA or the FMC that was the complainant’s former employer, it becomes

¹⁹ Complaint Number RQ2022/04 (Egypt). Documents available via <https://www.afdb.org/en/irm-management-complaints-registered-requests/rq2022/04-egypt>

²⁰ See AfDB Management Response: <https://www.afdb.org/sites/default/files/documents/compliance-reviews/english/egypt-benban-solar-park-fit-management-response.pdf>

²¹ The term ‘prima facie evidence’ is not intended to be applied in the same manner as in legal proceedings. The IRM applies the ordinary meaning of the term ‘prima facie’; that is, ‘on its face’, or ‘at first impression’. The IRM does not expect that relevant facts be proved conclusively at this stage and makes its findings based on the evidence at hand, conscious that at this stage the parties may not have presented their case in full.

²² See para. 55, IRM PGs

important to consider whether, or in what circumstances, acts or omissions connected to the FMC and BSDA could be considered to constitute Programme non-compliance.

34. In this compliance appraisal report, the IRM addresses this question through an examination of information or evidence available regarding the following three issues:

- (i) Monitoring of the FMC;
- (ii) The Programme grievance redress mechanism(s) at the Benban Solar Park and its/their relevance to the BSDA and FMC; and
- (iii) Assessment, management, prevention and mitigation of risks regarding labour and working conditions.

35. In considering the information and preliminary evidence available, the IRM addresses the following questions:

Question 1: Do GCF operational policies and procedures extend to the role of the FMC and BSDA in Programme implementation? Can *prima facie* evidence of non-compliance with GCF operational policies and procedures regarding the BSDA and FMC constitute Programme non-compliance?

Question 2: Is there, overall, *prima facie* evidence of non-compliance with relevant GCF operational policies and procedures in relation to the available evidence?

If yes, then:

Question 3: In sum, is there *prima facie* evidence that the complainant has been or may be affected by adverse impacts caused by non-compliance with relevant GCF policies and procedures?

Overview of Relevant Operational Policies and Procedures

36. The Initial Proposal Approval Process, including the Criteria for Programme and Project Funding adopted in 2014 by Board Decision B.07/03²³ sets out initial Project and Programme Cycle and includes Secretariat roles and responsibilities regarding due diligence of funding proposals to be presented to the Board for consideration. The Initial Proposal Approval Process was applicable during the time of submission and consideration of the funding proposal for FP039, and has since been superseded by the Updated Project and Programme Cycle, adopted by Board Decision B.17/09 in 2017.

37. The GCF's Monitoring and Accountability Framework (MAF) for Accredited Entities was adopted in 2015 by Board Decision B.11/10.²⁴ It sets out the components of monitoring and accountability of accredited entities, including reporting requirements for individual GCF-funded activities. Importantly, it also establishes that a risk-based monitoring approach is to be implemented by the GCF.

38. The GCF's Risk Management Framework (RMF),²⁵ adopted in 2017, further elaborates on the Fund's approach to managing risk, and is applicable to both GCF itself and funding proposal investment level. The Framework encompasses policies adopted by Board Decision B.17/11 such as the Revised Risk Register and Risk Appetite Statement,²⁶ together with policies later adopted by

²³ See <https://www.greenclimate.fund/decision/b07-03>

²⁴ See [monitoring-accountability-framework-ae.pdf \(greenclimate.fund\)](#)

²⁵ The Risk Management Framework and its component policies are relevant to the roles and responsibilities of the GCF Secretariat in the ongoing assessment and management of risks. For more information, see <https://www.greenclimate.fund/about/policies/risk-management-framework>

²⁶ For the purposes of this Compliance Appraisal, the Risk Guidelines for Funding Proposals and components of certain policies such as the Investment Risk Policy which were adopted following the approval of FP039 would

Board Decision B.19/04, such as the Risk Dashboard, Investment Risk Policy, Non-Financial Risk Policy, and Funding Risk Policy. A Compliance Risk Policy (Board Decision B.23/14) and the Revised Initial Financial Risk Management Framework (Board Decision B.26/Inf.10/Add.01) were adopted later in 2019 and 2020 respectively and also form part of the overall Risk Management Framework.

39. The GCF's Interim Environmental and Social Safeguards (the ESS) were approved by Board Decision B.07/02, paragraph (c) and Annex III on 21 May 2014.²⁷ Annex III adopts the 2012 Performance Standards of the International Finance Corporation (IFC) as the GCF's ESS, referring explicitly to the eight Performance Standards (PS), and additionally adopting eight IFC Guidance notes and World Bank Group Environment, Health and Safety Guidelines. The Guidance notes referred to include notes on PS1 and PS2 respectively. They do not include a separate 2012 IFC Interpretation Note on Financial Intermediaries²⁸ which, among other matters, explains how IFC's requirements apply to the activities and operations of financial intermediaries. Furthermore, IFC's Policy on Environmental and Social Sustainability,²⁹ which accompanies the PS and is one of the pillars of IFC's Sustainability Framework,³⁰ has also not been adopted by the GCF.
40. On 1 March 2018, the GCF adopted its own Environmental and Social Policy (ESP) (Decision B.19/10). Importantly, this was after the dates on which the AMA and the FAA for FP039 became effective. Para. 80 of the ESP provides that once effective, the ESP will apply to ongoing activities (such as FP039) "*to the extent reasonably possible*". Notwithstanding this provision, the IRM has concluded that the provisions of the ESP are not applicable to EBRD's implementation of FP039. The AMA provides, in principle, for updates to GCF policies and procedures applicable to the relationship between GCF and the AE (Clause 1.04). But it also makes clear (Clause 31.05) that revisions in relevant policies and procedures only apply to new funding proposals. It would not be reasonable to apply the ESP to EBRD's responsibilities given these AMA provisions.³¹
41. Consistent with the expressed intention of para. 80 of the ESP, the IRM has proceeded, however, on the basis that provisions of the ESP that refer to the monitoring responsibilities of the GCF Secretariat are, in the absence of a conflict with the AE's responsibilities, in principle applicable to implementation of FP039 at Benban.
42. Consistent with the Monitoring and Accountability Framework, the 2018 ESP requires risk-based monitoring of environmental and social risks by the Secretariat. Thus, para. 56 of the ESP provides for the Secretariat's monitoring related to the environmental and social performance of accredited entities to be based on "*the type and level of risks identified, including environmental and social risks.*" The Risk Management Framework (RMF) further elaborates on GCF's responsibilities to take appropriate actions to control risks, such as those arising from grievances raised in relation to a GCF-funded project, and to assess these within the stated risk tolerance levels and risk appetite

not be applicable. For issues relevant to the timeframe spanning the submission and consideration of the funding proposal FP039, the IRM will consider the Initial Risk Management Framework (GCF/B.12/17) and Interim Risk and Investment Guidelines (GCF/B.13/27/Rev.02) as related to relevant roles and responsibilities of the GCF Secretariat in assessing the funding proposal.

²⁷ See Guiding framework and procedures for accrediting national, regional and international implementing entities and intermediaries, including the Fund's fiduciary principles and standards and environmental and social safeguards <https://www.greenclimate.fund/decision/b07-02>

²⁸ Interpretation Note on Financial Intermediaries, IFC, 1 January 2012. Available online at <https://documents1.worldbank.org/curated/en/693651480673428389/pdf/110693-InterpretationNote-FIs-2012.pdf>. The Interpretation Note was later updated in November 2018. On 29 September 2023, IFC published a Guidance Note on Financial Intermediaries which updated and replaced the Interpretation note. See <https://www.ifc.org/en/insights-reports/2012/publications-policy-interpretationnote-fi>

²⁹ See IFC Sustainability Framework <https://www.ifc.org/en/insights-reports/2012/publications-policy-sustainability-2012>

³⁰ The Sustainability Framework additionally includes IFC's Access to Information Policy. See <https://www.ifc.org/content/dam/ifc/doc/mgrt/ifc-sustainability-framework.pdf>

³¹ Whilst the Secretariat's initial Response on 12 June indicated that it believed the ESP to be applicable to the Programme, in later correspondence and a revised Response of 2 July it changed this position.

of the GCF.³² The IRM considers that there is no reason not to apply these provisions when considering GCF's responsibilities towards FP039 over the relevant period.

43. Under the AMA, the AE is required to follow its own rules, policies and procedures *"that enable it to comply with the Fund's Standards, policies and procedures as has been assessed by the Fund in the Accreditation process."*³³ The AMA further stipulates that the AE is to apply the provisions of the Monitoring and Accountability Framework (which include provision for reporting on ESS and gender as part of APRs) *"subject to and in accordance with its own policies and procedures."*³⁴ Similarly, as Executing Entity (EE) under the AMA EBRD is responsible for overall management, implementation and supervision of the funded activity in line with its own policies and procedures.³⁵ Whilst this is the contractual situation, the IRM, consistent with its mandate, assesses Programme compliance with applicable GCF Policies and Procedures, not compliance with the AE's policies and procedures.

Performance Standard 1 in relation to FP039

44. Performance Standard (PS) 1 of the GCF's interim ESS establishes an overall framework for assessment and management of environmental and social risks and impacts, including the prevention and mitigation of adverse impacts.³⁶
45. The IFC Performance Standards do not use the term 'accredited entity' or 'executing entity'. They are addressed to 'clients'. The question that therefore arises is which entity or entities should be considered the 'client' for purposes of applying the provisions of PS 1.
46. EBRD, in its roles as both Accredited Entity and Executing Entity, is a financial intermediary. It is GCF's 'client' for purposes of applying PS 1. The GCF's interim ESS does not include specific policy requirements for clients that are financial intermediaries one step removed from site-level implementation of GCF-funded activities. However, the GCF's commitment to ensuring that environmental and social risks of funded activities are identified, measured and mitigated based on IFC standards is only meaningfully realised if both EBRD and subproject sponsors' actions are considered within the scope of 'client' responsibilities set out in PS 1 (to the extent meaningful given their respective roles in delivery of GCF-funded activities). This is the case notwithstanding the absence of a direct contractual relationship between GCF and subproject sponsors. Both EBRD as the formal 'executing entity', and those subproject sponsors that execute GCF-funded activities at Benban, can appropriately be considered when considering the responsibilities of 'clients' under PS 1.
47. The IRM has also considered whether the scope of PS 1 extends to workers of the FMC. PS 1 requires 'clients' to *"establish management programs that, in sum, will describe mitigation and performance improvement measures and actions that address the identified environmental and social risks and impacts of the project."*³⁷ Depending on the nature and scope of the project, such 'programs' may apply broadly across the client's organization *"including contractors... over which the organization has control or influence."*³⁸

³² The Risk Appetite Statement states that the GCF will have zero tolerance towards *"its staff and Board members breaching...policies"* including the Interim Environmental and Social Safeguards Standards. However, the same document further identifies risk events such as *"grievances from projects"* and risk of non-compliance with internal requirements such as breaches of the Fund's Environmental and Social Standards as falling within a 'moderate' risk tolerance level. As the IRM is assessing the non-compliance of the Programme with GCF policies and procedures, the latter risk tolerance level – and responsibilities of the GCF Secretariat for risk monitoring and mitigation – are relevant. See [decision-b17-11-b17-a6.pdf \(greenclimate.fund\)](#)

³³ Accreditation Master Agreement, 2017, Clause 8

³⁴ Accreditation Master Agreement, 2017, Clause 5.02(d)

³⁵ Accreditation Master Agreement, 2017, Clause 8

³⁶ See IFC Performance Standards [2012-ifc-performance-standard-1-en.pdf](#)

³⁷ Performance Standard 1, para. 13

³⁸ Performance Standard 1, para. 14

48. The FMC is a contractor over which both EBRD and subproject sponsors individually have a degree of influence. The Secretariat Response asserts that management of the FMC is “*the legal obligation of the Sub-Project sponsors via the BSDA.*”³⁹As such, it is a contractor over which the subproject sponsors collectively (through the BSDA), but not individually, have control. In the particular context of the Benban Solar Park, PS 1 supports the expectation that Programme environmental and social management systems (‘programs’) will extend to the BSDA and FMC.
49. As discussed further below, the FMC plays an important role in mitigation of social risk for the Benban Solar Park. EBRD has on occasion relayed findings from monitoring of the FMC to the BSDA for corrective action. However, EBRD underlined in conversation with the IRM that its ability to influence the BSDA and FMC was not based on the existence of contracts with either entity.
50. There is sufficient nexus between the FMC and GCF-financed subproject sponsors (via BSDA) and EBRD to support application of the provisions of PS 1 to the issues raised in the complaint regarding the GRM and the identification, management and mitigation of labour and workplace risks at the Benban Solar Park. The IRM therefore concludes that GCF policies and procedures potentially extend to the FMC and BSDA in respect of identification, prevention and mitigation of environmental and social risk; labour and workplace conditions; and the Programme’s GRM at Benban Solar Park.

Performance Standard 2 in relation to FP039

51. IFC’s 2012 Performance Standard 2 elaborates on how ‘clients’ should address Labour and Working Conditions.⁴⁰ The scope of PS 2 depends on the type of employment relationship between ‘the client’ and the worker.⁴¹ In FP039 if ‘the client’ is to be understood to be limited to the AE and/or the EE as defined in the FAA, the ‘client’ to whom PS 2 must be applied will be EBRD. Understanding the term ‘client’ in this way would be to deprive PS 2 of any real force across much of GCF’s project/programme portfolio.
52. There is no indication that GCF intended that the labour and working conditions requirements of its interim ESS should apply only to the workers, contracted workers and supply chain workers of accredited entities. There is equally no indication that GCF has decided that when the accredited entity is another international financial institution and is also an executing entity for purposes of delivery of finance, PS 2 should not apply to activities financed with GCF funds.
53. Understanding the GCF-financed subproject sponsors as ‘clients’ when applying PS 2 in FP039 is more consistent with the GCF’s expressed commitment to the ESS. There is then an arguable case that some or all of the FMC’s workers fall within the scope of the PS 2 definition of ‘contracted workers’; with the BSDA, in contracting with the FMC, effectively acting as agent for all of its members, including GCF-financed subproject sponsors. As to whether the FMC is instead, or additionally, a ‘primary supplier’ for purposes of PS 2; the IRM notes that clients’ substantive PS 2 obligations in respect of primary suppliers address child labour, forced labour, and safety issues,⁴² but do not include specific requirements with regard to other labour and working conditions or the establishment of a GRM. It is not therefore necessary to determine whether the FMC is a ‘primary supplier’.

³⁹ GCF Secretariat Response

⁴⁰ See Performance Standard 2: <https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standard-2-en.pdf>

⁴¹ Performance Standard 2, Scope of Application, paragraph 4: “The Standard applies to workers directly engaged by ‘the client’ (‘direct workers’); workers engaged through third parties to perform work related to core business processes of the project for a substantial duration (‘contracted workers’); as well as workers engaged by the client’s primary suppliers (‘supply chain workers’).”

⁴² IFC Performance Standard 2, paragraphs 27-29

54. The IRM concludes that it is arguable that PS 2 applies to workers of the FMC as a matter of GCF policy. However, a conclusive determination on the application of PS 2 as a matter of GCF policy, is more appropriately reached during compliance investigation rather than compliance appraisal.

Governance and Monitoring of Environmental and Social Risks and Impacts

55. The creation of an association of Benban developers (which later became known as the BSDA), and its appointment of an FMC, flow directly from a strategic environmental and social assessment (SESA) prepared for the development of the energy infrastructure at the Benban site.⁴³
56. The SESA was reportedly publicly disclosed in May 2016.⁴⁴ It includes a framework Environmental and Social Action Plan (ESAP) to be implemented site-wide *“to provide an ‘umbrella’ of agreed measures to be followed and implemented by all Benban Projects/developers.”*⁴⁵ Importantly, whilst individually each of the 41 Benban subprojects is a medium-sized construction project; the SESA notes that taken *“as a whole, the Benban PV site is collectively a mega construction project which will turn a large tract of desert area into a high-tech facility.”*⁴⁶ Against this backdrop, the SESA also proposes an overall structure for management of environmental and social issues during operation as well as construction. It further explains that Benban project developers seeking finance from international financial institutions will be required to meet EBRD and IFC performance requirements/standards at all stages of the project cycle.⁴⁷
57. EBRD’s publicly available Project Summary Document⁴⁸ records that conditions included in the environmental permit issued to the NREA by the Egyptian Environmental Affairs Agency (EEAA)⁴⁹ reflected certain requirements of the ESAP. According to EBRD, responsibilities for the implementation of the overall ESAP were then transferred by NREA and EEAA to the individual project developers, and as a result the developers formed an Association *“to manage and address the issues that are not incumbent upon any one developer but are cumulative in nature.”*⁵⁰ In turn the developers association (i.e. the BSDA as it is now known) appointed the FMC for the site. Health and Safety Home for Investment Services (HSH) has served as the FMC during the operation and maintenance phase of the Benban Solar Park. Thus, the BSDA and FMC play key roles in the implementation and delivery of the overall ESAP.
58. Alongside site-wide environmental and social management documents, the SESA envisages that each subproject under the framework will have its own environmental and social action plan (an ESAP)⁵¹ and an Environmental and Social Management System (an ESMS) *“to ensure compliance with EBRD’s 2014 Environmental and Social Policy, the IFCs Performance Standards and therefore GCF’s requirements.”*⁵² EBRD’s funding proposal to GCF adds that *“Where collective issues need to be developed at a strategic and collective level the ESAP / ESMP will require that an appropriate E&S governance structure is developed so that common standards are developed and adhered to.”*⁵³ These subproject-specific ESMSs and ESAPs translate the requirements of the SESA ESAP into

⁴³ The SESA was developed with EBRD technical cooperation funding support to the overall Benban Solar Park sponsor, the Egyptian New Renewable Energy Agency (NREA). See: <https://www.ebrd.com/work-with-us/projects/psd/egypt-renewable-feedintariff-framework.html>

⁴⁴ See Project Summary Document, EBRD. <https://www.ebrd.com/work-with-us/projects/psd/egypt-renewable-feedintariff-framework.html>

⁴⁵ SESA, Section 7.1, page 152

⁴⁶ SESA, Section 6.4, page 145

⁴⁷ SESA section 2.4.2

⁴⁸ See Project Summary Document, EBRD. <https://www.ebrd.com/work-with-us/projects/psd/egypt-renewable-feedintariff-framework.html>

⁴⁹ See [وزارة البيئة | الرئيسية \(eeaa.gov.eg\)](http://www.eeaa.gov.eg)

⁵⁰ See Project Summary Document, EBRD. <https://www.ebrd.com/work-with-us/projects/psd/egypt-renewable-feedintariff-framework.html>

⁵¹ ESAPs and ESMPs are presented as interchangeable in the funding proposal. See page 26 of the Funding Proposal for FP039 which notes *“...E&S Action Plan (or ESMP in line with GCF terminology)”*

⁵² Funding Proposal, Section G.2, page 30

⁵³ *Ibid*

subproject-specific commitments, including in relation to labour and working conditions and the GRM. Certain environmental services that are addressed under these subproject ESAPs, such as waste management and security, are in turn provided by the FMC. The sponsors contribute financially to the BSDA, and the BSDA then manages the FMC.⁵⁴

59. Aside from these arrangements, the SESA envisages preparation of Environmental and Social Impact Assessment for each subproject,⁵⁵ and additionally, FP039 is associated with an Environmental and Social Management Framework and System (ESMFS). This is a publicly available document⁵⁶ that is based on EBRD's policies and procedures. It sets out the key steps to be taken for project appraisal and during environmental and social monitoring.
60. Management of environmental and social risks at the overall site level and at the level of individual subproject sponsors involves contractual and reporting relationships between the lenders, subproject sponsors, BSDA and the FMC. The IRM does not at this stage have detailed information about these arrangements. However, additional helpful insights on overall environmental and social governance systems at the Park can be found in the African Development Bank Management Response (AfDB Management Response) to an ongoing AfDB Independent Recourse Mechanism compliance case concerning the Benban Solar Park.⁵⁷ That case also addresses issues raised with the AfDB Independent Recourse Mechanism by the present complainant.
61. The AfDB Management Response explains that the BSDA was registered in 2019, and that thirty-two developers had (at that time) agreed to jointly finance the FMC for the operation and maintenance phase, together with a technical consultant to monitor the FMC. Each developer pays a pro rata share of costs in respect of the FMC and technical consultant budgets. The FMC undertakes the management of the operations and maintenance phase of the Benban Solar Park on behalf of and for the benefit of all the projects at the Park; whereas the technical consultant is hired by BSDA to monitor and audit the FMC; and to prepare monthly and quarterly reports on the FMC's performance. Discussion with EBRD, as well as documents thereafter shared by EBRD, confirmed that BSDA had a technical consultant to monitor the FMC.
62. In conversation with the IRM, EBRD clarified that the FMC was expected to have its own Environmental and Social Management Plan (ESMP); and that the BSDA's contract with the FMC was to reflect this. EBRD confirmed that the FMC itself had a role in developing environmental and social policies and procedures for all project sponsors. This was particularly the case during the early stages of Programme implementation before the end of construction, but continued into the operations and maintenance phase of the Programme, so far as policies and procedures might need updating or adjusting.
63. The IRM understands that the FMC hosted the Benban Solar Park's community grievance mechanism during both construction and operation and maintenance. As to worker grievance mechanisms; the IRM understands from EBRD that each subproject sponsor had its own worker grievance mechanism. The FMC also maintained a worker grievance mechanism, which was available to workers of its contractors and (to a degree not yet fully clear to the IRM) other workers at the site. Minimum expectations for the grievance mechanisms were set in the SESA ESAP; presumably referenced in both site-wide and subproject-specific ESMPs/ESAPs; further specified in a grievance management system document; and formalised through loan agreements which also played a role in informing the BSDA's relationship with the FMC. Loan agreements for the GCF-financed Benban subprojects have not been shared with the IRM.
64. The contract between BSDA and the FMC, which the IRM has not seen, is a key governance link for transmitting lenders' environmental and social expectations to the FMC; notwithstanding the absence of a direct contractual relationship between the lenders and the BSDA, and lenders and

⁵⁴ GCF Secretariat Response

⁵⁵ SESA, page 16

⁵⁶ See ESMFS: <https://www.ebrd.com/documents/climate-finance/get-kazref-larf-english.pdf>

⁵⁷ AfDB Management Response

the FMC. EBRD's monitoring also benefitted from reporting and regular reporting by an independent environmental and social consultant (IESC), whose work included monitoring and reporting on the FMC's environmental and social performance.

65. At the conclusion of this compliance appraisal, the IRM has outstanding questions about whether the overall governance arrangements for assessment and management of environmental and social risk relating to BSDA and the FMC were adequate to support effective compliance with PS 1 and PS 2 during Programme implementation at Benban Solar Park.

Assessment and management of risk and monitoring during Programme implementation

66. EBRD reported to GCF on its monitoring of GCF-funded activities via Annual Performance Reports (APRs). GCF reviewed these, and internal records show that it on occasion sought clarification or additional information on issues that are relevant to the present complaint. It is clear from the IRM's review of the APRs that EBRD monitored the Facilities Management Company from the beginning of Programme implementation. It does not appear that GCF had access to the FMC's ESMP. However, EBRD had reportedly reviewed it. The IRM has also reviewed internal correspondence between GCF and EBRD regarding APRs. This included a request from GCF for EBRD to clarify the role of the FMC in the programme.
67. The construction phase at Benban Solar Park concluded in 2019. In November 2020, HSH was appointed as FMC following a tender process coordinated by the BSDA to appoint an FMC for the site's operations and maintenance phase.⁵⁸ The IRM understands that many workers at the former FMC transferred to HSH after it was appointed FMC; and that HSH also hired additional workers. Subsequent reporting to GCF by EBRD notes that the capacity of the new FMC would need to be assessed. Additionally, EBRD noted that there was a transition period during which the FMC required close supervision to ensure GCF requirements were being met in full and added that EBRD would continue to monitor closely.
68. The IRM has been able to review various internal documents concerning labour and working conditions and the worker grievance mechanism at HSH, including reports on FMC monitoring by EBRD's independent environmental and social consultant. These documents do not however provide confirmation of what policies and systems were in place over the period of the complainant's employment with HSH.
69. EBRD's monitoring of the FMC takes place in the context of wider coordination efforts among lenders to the Benban subproject sponsors and joint site visits. The AfDB Management Response states that joint visits take place where a complaint is filed, and that feedback and mission findings are shared amongst lenders and sponsors,⁵⁹ and that if action plans are required, these are also monitored as part of lenders' routine environmental and social monitoring.
70. The AfDB Management Response states that on 18 September 2022 (not long before the present complaint was filed with the IRM), the FMC and BSDA notified it that four lenders had conducted a joint fact-finding mission to the project site from 8-12 September 2022, "*to check the status of ... grievances against FMC...and meeting complainants...*"⁶⁰ After the mission, some lenders reportedly met with BSDA and the FMC to share their findings. The IRM has not seen internal reporting on this lenders' visit, which came shortly after a site visit and an FMC monitoring report by EBRD's independent environmental and social consultant. However, it appears from other internal documents made available to the IRM that an action plan was agreed following the September lenders' visit.
71. The IRM has not at this stage reviewed all records of lender monitoring activities or built a complete view of GCF and EBRD's involvement in review of key documents, capacity building, and

⁵⁸ Interview with complainant

⁵⁹ AfDB Management Response, para. 104

⁶⁰ AfDB Management Response, para. 84

corrective actions, nor the role played by subproject sponsors in FMC performance improvements. Nonetheless, internal documents record progress against various corrective actions, and overall FMC performance on relevant issues appears to have improved significantly as of March 2024.

72. At the time of writing, it appears *prima facie* that the FMC had made progress to address actions regarding overall environmental and social management capacity; worker grievance mechanisms, and labour and working conditions. It appears further that there had been close lender monitoring of the FMC over a period beginning in May 2022.
73. Documents currently available to the IRM do not provide a complete picture of monitoring in the period between HSH's appointment as FMC and May 2022. They do however provide a preliminary indication that the complainant's employment came to an end in a period when there were shortcomings in FMC management and performance on labour, working conditions, and the worker grievance mechanism.
74. Subsequent recorded performance improvements have not remedied the adverse impacts that the complainant says she has experienced. Furthermore, some of the issues raised in her complaint are reflected in issues raised later by other FMC workers or subcontractors as captured in internal documents.
75. Internal Programme documentation available at the GCF Secretariat suggests that prior to this compliance appraisal the GCF had little information about the roles played by EBRD, the BSDA and the GCF-funded subproject sponsors in monitoring and oversight of the FMC. The Secretariat Response says that at this stage it considers continued monitoring in coordination with EBRD to be the appropriate course of action. This does not provide reassurance that the Secretariat appropriately considered what level of enhanced monitoring would be appropriate in keeping with the Risk Management Framework given its knowledge of the existence of reported complaints about the FMC by workers since 2022; as well as concurrent cases in other international financial institutions' accountability mechanisms.

Initial Findings

76. The IRM has outstanding questions about the roles of EBRD and the GCF in monitoring of the design and implementation of a) the grievance mechanisms to be made available to workers at the Benban Solar Park, including the FMC's workers; and b) minimum labour and workplace requirements for the Benban Solar Park's developers and its FMC. There are also outstanding unanswered questions about the role of EBRD and, through the BSDA, subproject sponsors, in monitoring of the FMC and its performance in the period between the run-up to HSH's appointment in 2020, and a site visit by EBRD's independent environmental and social consultant in May 2022. These questions are connected to the issue of Programme compliance with PS 1 of the interim ESS. The IRM concludes that at this compliance appraisal stage the complainant's assertions viewed alongside currently available internal documents provide *prima facie* evidence of Programme non-compliance with PS 1 of the interim ESS regarding management of environmental and social risk during Programme implementation at the Benban Solar Park. The IRM considers that the implications of the overall environmental and social governance structure at the Benban Solar Park for Programme compliance with PS 1 also merit deeper consideration in the light of this finding.
77. Furthermore, the IRM is not satisfied at this compliance appraisal stage that the Secretariat has taken sufficient steps to ensure that questions that it raised in response to EBRD's reporting on workplace grievances and labour and working conditions were addressed in a timely way to its satisfaction. Equally, the Secretariat's Programme monitoring of Programme performance at the Park does not appear to have been adequately informed by the risk represented by the existence of multiple complaints regarding FMC-related labour issues before the accountability mechanisms of international financial institutions. The IRM concludes that there is *prima facie* evidence of Programme non-compliance with relevant policies under the Risk Management Framework and

the 2018 Environmental and Social Policy by reason of the Secretariat's monitoring of Programme implementation and performance at Benban.

Programme grievance redress mechanism(s)

78. The complainant writes in her initial email to the IRM that the subject matter of her complaint includes 'complaints procedures and mechanisms.' She notes that she has submitted 'several complaints' to the BSDA. She has also asserted that workers at the FMC were discouraged from making complaints; and that the termination of her own employment was retaliatory after she had asked questions about a draft contract of employment. These issues are *prima facie* indicative of shortcomings in the Programme GRM at the Benban Solar Park.
79. As explained above, the ESAP established under the SESA provides a framework for the establishment of a site wide GRM, extending to worker as well as to other stakeholder complaints. The Secretariat Response does not provide information about the structure or implementation of the Programme-level GRM at Benban beyond asserting that the Stakeholder Engagement Plan and Grievance Redress Mechanism were part of the SESA.
80. The IRM notes that only the framework elements of the GRM were established in the SESA and GCF does not appear to have received Stakeholder Engagement Plan and Grievance Redress Mechanism documents from EBRD following a request in 2019. A website that EBRD referred the Secretariat to (<https://thebenbanforum.com>) is no longer working, and the Secretariat has not been able to locate the documents. EBRD helpfully shared later versions of relevant documents with the IRM, but these iterations had been finalised after the events complained of by the complainant.
81. The complainant worked as a Community Communication Officer within an FMC team whose responsibilities included community liaison and handling community grievances and at least some worker grievances under the GRM. These FMC responsibilities are closely linked to implementation of the GCF-financed subprojects. So too are the FMC's roles in developing and updating site-wide Environmental and Social policies and plans, including for the GCF-financed subprojects.⁶¹
82. The key elements of the grievance mechanism to be established at the Park are set out in the SESA. The SESA's ESAP provides for the establishment of 'master stakeholder engagement activities' and a community liaison office (which was, in practice, located within the FMC), adding: "*This SESA has provided a proposed format for a common SEP [stakeholder engagement plan] which will be used by the Developers Association, amended where necessary, as the basis for implementing a Benban wide SEP. This will include the establishment of a community liaison office, a mechanism for information dissemination, and a grievance redress mechanism.*"⁶² The ESAP does not distinguish clearly between worker and community/external stakeholder dimensions of the GRM.
83. The Secretariat Response does not provide information about how the grievance mechanism at the Park was structured or implemented. However, helpfully, the AfDB Management Response includes further information. It states, in part, that FMC community liaison desk agents are responsible for implementation of the grievance mechanism. The Community Liaison Desk was reportedly composed of two Community Liaison Officers and one Labour Compliance and Grievance Team Leader.
84. As explained by the complainant and in other internal documentation, it appears that the FMC also played a role in worker grievance mechanisms; at least for some project sponsors at Benban. Thus, the AfDB Management Response adds that at two of the AfDB-financed projects "*the FMC Community Liaison Desk is responsible for the implementation of the workers and Community*

⁶¹ GCF Secretariat Response

⁶² SESA, Table 42: Environmental and Social Action Plan, page 157

*Grievance Mechanisms... In particular, the CLO is responsible for timely informing the Environmental, Health, Safety and Labour Information about the Project GRM... ”*⁶³

85. It appears from the AfDB Management Response that the BSDA E&S committee had a role at the relevant time in receiving information about “*exceptional and recurring complainants*”.⁶⁴ The IRM has not at this stage been able to confirm this. However, in discussion with the IRM, the complainant said that when she complained to the BSDA about her dismissal, she was asked instead to raise her complaint with the FMC.
86. Performance Standard 2 includes requirements for the establishment of workplace grievance mechanisms. These apply to workers of the subproject sponsors, and, subject to the detailed requirements of PS 2, to those contracted workers also addressed by PS2. It further requires clients to ensure that contracted workers have access to a grievance mechanism, and in cases where third parties employing such contracted workers are not able to provide a grievance mechanism, the client will extend its own grievance mechanism to serve the workers engaged by the third party.⁶⁵ In practice, the IRM notes that the basic characteristics of both, in the specific circumstances of the Benban Solar Park, may be expected to be the same.
87. Other pertinent provisions of PS 2 include para. 24 , which provides that with respect to contracted workers (which as discussed above may arguably include the workers of the FMC), ‘the client’ is to take commercially reasonable efforts to ascertain that the third parties who engage these workers are “*reputable and legitimate enterprises and have an appropriate ESMS*”⁶⁶ that will allow them to operate in a manner consistent with key provisions of PS 2, including its requirements for grievance mechanisms.⁶⁷
88. The complainant has raised quite specific concerns about words spoken by HSH managers to discourage workers from raising concerns or making complaints. The IRM notes that HSH plays a central role in the design and administration of the GRM at Benban for the benefit of all Benban Solar Park developers (including those of GCF-financed subprojects) and stakeholders as well as its own workers. Regardless of whether workers of the FMC are addressed by PS 2; this raises clear questions about Programme compliance with PS 1, and with GCF’s responsibilities under the ESP regarding identification and mitigation of risk;⁶⁸ the design and effectiveness of the GRM; and associated monitoring responsibilities.
89. APRs submitted by EBRD in respect of FP039 for each of the years from 2017 to 2023 do not provide information about grievances or complaints filed under the Benban GRM during the most intense GCF subproject construction period, but they do refer to certain issues arising out of demobilisation of contract workers which GCF sought clarification on. There is no record of a response on the specifics.
90. From the Calendar Year 2020 APR onwards, the GCF’s APR report template provided for reporting on the GRM. EBRD’s reporting on this was not detailed, but following the appointment of HSH it became apparent that there were grievances associated with working conditions and contract extensions at the FMC level. Data on the number of grievances received by the GRM was not reported to GCF, aside from a reference to two that had been referred to the IFC CAO and the GCF IRM. EBRD has more recently reported to GCF that it continues to monitor the BSDA and FMC closely.

Initial Findings

⁶³ *Ibid*

⁶⁴ AfDB Management Response, Section 2.3

⁶⁵ IFC Performance Standard 2, para. 26

⁶⁶ IFC Performance Standard 2, para. 24

⁶⁷ IFC Performance Standard 2, paragraphs 20, 24 and 26

⁶⁸ The ESP is not applicable to the AE in this instance due to the terms of the AMA, which predates adoption of the ESP.

91. The facts presented by the complainant, together with internal documents reviewed by the IRM, provide preliminary indications that the implementation of the Benban Solar Park worker grievance mechanism at the FMC did not satisfy the requirements of PS 1 and/or PS 2 of GCF's interim ESS at the time the complainant's employment with HSH came to an end.
92. Internal documents indicate that it is possible that earlier Programme non-compliance with GRM requirements for workers had been addressed by the time of writing so as to bring the Programme back into compliance with the GCF's GRM requirements. However, the IRM has satisfied itself that any adverse impacts of earlier non-compliance on the complainant, which remain to be confirmed during compliance investigation, have not been remedied. The IRM concludes that there is *prima facie* evidence of Programme non-compliance with PS 1 and PS 2 regarding the worker grievance mechanism available to HSH workers at the time of the complainant's employment with HSH.

Assessment and management of risks regarding labour and working conditions

93. The need for common labour and working conditions across the Benban site is clearly expressed in the SESA. It highlights the role of the proposed developer's association (now the BSDA) in addressing labour and working conditions; stating that it would need to agree on "*minimum standards for labor working practices and a common set of labour and working conditions that meet Egyptian Law, international standards such as ILO conventions and EBRD and IFC Performance Requirements / Standards.*"⁶⁹ Furthermore, "[w]here labour agencies are to be used to source workers the Developers will need to fully ensure that the common labour and working conditions established are fully implemented along the supply chain."⁷⁰ The SESA points directly to the significance of the complainant's area of work: "*A community liaison team will be required and a central resource for coordination of all labour related activities...*"⁷¹ The community liaison team was based within the FMC. The SESA's ESAP sets out key elements of a site-wide Labour and Working Conditions strategy and employment plan, stating that: "*To avoid the potential negative impacts association [sic] with substandard labour practices a detailed strategy is to be developed setting common standards for labour and working conditions, and code of conduct...*"⁷²
94. Both the site's construction and its operations and management phases demanded development and/or updating of site-wide management plans and procedures. It appears that this was envisaged to be part of the FMC's responsibility not only during construction, but also in the period after HSH was appointed.
95. The operations and management phase brought sensitivities since following a period of high demand for workers during construction, there was a risk that as the overall number of workers declined at the start of the operations and maintenance period around 2019, community relations could deteriorate. This risk is plainly stated in the SESA,⁷³ which proposes monitoring measures such as "*detailed monitoring ...developed concurrently with the recruitment plan and include independent verification that the minimum standards are being adhered to.*"⁷⁴ The 'contractor' (it is not clear who this refers to) should "*report on all aspects of workforce arrangements to the developers association advisor.*"⁷⁵ Whilst the SESA concludes that operational phase workforce impacts are relatively positive overall, it adds an important caveat: "*as long as good working practices and site management practices are in place.*"⁷⁶
96. The IRM notes that against the backdrop of the IRM receiving and declaring eligible complaints in relation to FP039, the Secretariat enquired about steps taken to improve working conditions and

⁶⁹ SESA, page 131

⁷⁰ *Ibid*

⁷¹ *Ibid*

⁷² SESA, page 155

⁷³ SESA, page 137

⁷⁴ SESA, page 132

⁷⁵ *Ibid*

⁷⁶ *Ibid*

strengthen labour management. In October 2023, EBRD assured the Secretariat that monitoring of the GCF-financed subprojects had confirmed full compliance with relevant labour and working condition safeguards.⁷⁷ As to the FMC, EBRD responded that along with other Benban lenders, it had monitored the activities of HSH, and all findings were reported back to the FMC via the BSDA for corrective action.

97. During compliance appraisal the IRM has been able to review an internal report of a 2022 monitoring visit by EBRD's independent environmental and social consultant which documents several relevant issues regarding the FMC to be prioritised for remediation. Subsequent internal documents shared with the IRM in the course of the compliance appraisal suggest that EBRD and other lenders subsequently took action on these issues. However, the IRM does not have a clear picture of EBRD monitoring of labour and working conditions at the FMC in the period leading to and following HSH's appointment, including 2022 when the independent environmental and social consultant highlighted concerns and it appears that an action plan was developed.
98. The terms of the draft contract that the complainant was asked to sign in September 2021 raise additional concerns. The complainant shared with the IRM an email communication she had received asking her and other workers to sign and return the contract by a specified deadline. Per the email, she and other workers were told that failure to hand in the contract at the specified time would be interpreted as a lack of willingness to renew their employment. The IRM is not in a position to make findings on these issues during compliance appraisal but has reviewed the draft contract and email communication.
99. The employer's express commitments in the proposed successor contract are limited; in contrast to its markedly more extensive employee requirements.⁷⁸ The draft contract does not include a reference to the existence of a grievance mechanism or disciplinary processes. There is no express provision for termination with notice, only rights for the employer to "*annul the contract at any time without compensation and without the need for any judicial proceedings*" for grounds which include "*technical unsuitability of the employee*" and "*violation by the employee of any provisions of the contract.*"⁷⁹ The provisions of the contract in turn include requirements for employees to accurately implement the company's regulations and directives and adhere to all orders, and to doing the work demanded of them at any of the various sites of the company.
100. The draft contract incorporates an explicit reference to Egyptian Labour Law No. 12 of 2003 as a supplement to the contract and as an aid to interpretation. Article 32 of the Labour Law requires the employer to draw up a labour contract and specifies certain provisions that it shall include.⁸⁰ The IRM notes that the draft contract that the complainant says she was asked to sign does not include all of these provisions.
101. Articles 60 onwards of the Law set out procedures for investigating misdemeanours and imposing sanctions. Article 69 states that a worker shall not be discharged unless he commits a serious error and lists matters that shall be considered a serious error for this purpose. The list does not correspond with the circumstances triggering potential summary dismissal under the draft HSH contract.
102. Additionally, Article 120 of the Law sets out reasons that shall not be considered as legitimate and adequate justifications for termination. These include submitting a complaint. In contrast, the draft contract provides that in all cases providing grounds for summary dismissal "*the employee confirms that he is not entitled to file any complaint or legal action against the company...*" PS 2 provides that in the absence of a collective agreement, clients are required to provide⁸¹ and must

⁷⁷ GCF Secretariat Response

⁷⁸ The complainant has also shared a copy of her contract of employment at the time her employment ended with the IRM i.e. covering the period of employment starting November 2020. Its terms are very different to those of the proposed successor contract provided to the complainant in September 2021.

⁷⁹ Complainant documents

⁸⁰ See [law2003.pdf \(manpower.gov.eg\)](#).

⁸¹ See IFC Performance Standard 2, para.10

provide workers with documented information that is clear and understandable regarding their rights under national labour and employment law, including their rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship and when any material changes occur. Neither the BSDA nor the FMC are clients for purposes of GCF's interim ESS. However, it is arguable that PS 2, para. 24, referred to above, required EBRD and/or subproject sponsors to take commercially reasonable steps to ascertain that the FMC was a "reputable and legitimate" enterprise with an ESMS that would allow it to operate in a manner consistent with PS 2's provisions regarding, *inter alia*, those on labour and working conditions. It appears *prima facie* that the ESS governance arrangements at Benban were also in principle intended to have delivered this outcome but fell short.

Initial Findings

103. On the basis of its initial findings on the role of the FMC and BSDA in the monitoring, oversight and/or implementation of key components of environmental and social management systems, the IRM concludes that GCF operational policies and procedures extend to the role of the FMC and BSDA in Programme implementation. The IRM also concludes that *prima facie evidence* of non-compliance with GCF operational policies and procedures regarding the BSDA and FMC may constitute Programme non-compliance.
104. The complainant's assertions raise questions about the adequacy of management systems at the FMC and the BSDA to ensure compliance with applicable provisions of PS 2 and Egyptian Labour Law, and therefore the effectiveness of workplace risk mitigation under PS 1 at the Benban site more widely; as well as implementation of the GCF's monitoring requirements under the 2015 Monitoring and Accountability Framework and the 2018 ESP.
105. The IRM has formed the view that *prima facie* the draft contract, if implemented, would not be aligned with provisions of PS 2 regarding either documentation or 'reasonable terms of employment'. Furthermore, a requirement for FMC workers to contract out of access to complaints mechanisms or the possibility of legal action, if implemented, is not *prima facie* consistent with requirements of the interim ESS regarding labour and workplace conditions and the establishment and implementation of grievance mechanisms for workers, including contract workers. At this stage the IRM concludes that, whilst acknowledging steps later taken by EBRD (in cooperation with other lenders) to address HSH management capacity and performance on labour and workplace issues (including the grievance mechanism); there is *prima facie* evidence of Programme non-compliance with PS 1 and PS 2 regarding labour and workplace conditions at HSH.

Conclusions

106. The IRM concludes that there is *prima facie* evidence of Programme non-compliance with provisions of PS 1 regarding the assessment and management of risk relating to labour and working conditions and grievance mechanisms. There is also *prima facie* evidence of Programme non-compliance with provisions of PS 2 regarding contract workers in relation to the grievance mechanism available to workers at the FMC, and provisions of PS 2 relating to the labour and working conditions of contract workers.
107. Finally, the IRM concludes that there is *prima facie* evidence that the GCF Secretariat's approach to monitoring has not been sufficiently risk-based to meet the requirements of the 2018 ESP, the Risk Management Framework, and the 2015 Monitoring and Accountability Framework.
108. The complainant told the IRM that since her employment with HSH ended, she has not found a new role. She refers to psychological distress and social problems resulting from her dismissal, and to non-payment of earnings and other benefits, as well as non-payment of compensation to which she believes she is entitled. She has provided documentary support to the IRM in support of certain aspects of her claim. In the absence of a site visit at this stage, it has not been possible for the IRM to discuss in detail the adverse social impacts that the complainant has referred to. The

IRM is at this stage satisfied that the averred adverse impacts are plausible and merit further clarification.

109. The complainant has not suggested to the IRM that she has been discriminated against based on gender. However, based on its conversations with the complainant, the IRM has formed the preliminary view that in the cultural and social context of South Upper Egypt the manner of the complainant's dismissal has gender implications which may have exacerbated the adverse impacts that the complainant has described. These implications also merit further clarification.
110. The IRM has identified a number of areas where there is *prima facie* evidence of non-compliance with GCF operational policies and procedures. There is a plausible *prima facie* link between these areas of possible non-compliance and the adverse impacts that the complainant has described.
111. The IRM finds that there is *prima facie* evidence that adverse impacts to the complainant resulted from the non-compliance of FP039 with GCF operational policies and procedures reflected in the Risk Management Framework, part II of the 2015 Monitoring and Accountability Framework, GCF's applicable responsibilities under the 2018 Environmental and Social Policy, Performance Standard 1 of the interim ESS and (to the extent determined applicable upon further consideration to labour and working conditions and the worker grievance mechanism at the FMC), Performance Standard 2 of the interim ESS.
112. Considering its findings and conclusions, the IRM will now commence a compliance investigation, the scope of which is set out below, to investigate the matter further and reach final findings on the issues.

VI. Scope of Compliance Investigation

113. The questions that will be investigated through the compliance investigation are as follows:
 - (1) Were the adverse impacts experienced by the complainant because of the termination of her employment with Health and Safety Home for Investment caused by the non-compliance of Programme FP039 with applicable provisions of the 2018 Environmental and Social Policy, and/or PS1 and/or PS2 of the GCF's Interim Environmental and Social Safeguards and related guidance notes?
 - (2) Did the GCF Secretariat's second-level due diligence on overall ESS governance arrangements in relation to FP039 meet the requirements of the Initial Proposal Approval Process and/or GCF's Interim Environmental and Social Safeguards, so far as relevant to the issues raised by the complainant in respect of labour and working conditions and the grievance redress mechanism?
 - (3) Did the GCF Secretariat undertake adequate monitoring of AE reporting and of Programme performance regarding the GRM and labour and working conditions at the Benban Solar Park as required under the Risk Management Framework,⁸² Monitoring and Accountability Framework and the 2018 Environmental and Social Policy?
 - (4) Were site-level and FMC-level GRM and labour and workplace conditions aligned at relevant times with applicable GCF policies and procedures; in particular under PS1 and, as relevant, PS 2 of the GCF interim Environmental and Social Safeguards and related guidance notes?
114. As part of its compliance investigation, the IRM will gather information, as appropriate, from all stakeholders and witnesses concerned, including the complainant, the GCF Secretariat, the NDA, AE, Executing Entity, and other independent panels of the GCF. The compliance investigation may

⁸² The Risk Management Framework policies that are relevant primarily include the Risk Appetite Statement, Risk Register, Risk Dashboard and Non-Financial Risk Policy.

include document review, meetings, discussions, site visits, evidence gathering, and obtaining expert opinions.

115. At the conclusion of its investigation the IRM shall prepare a compliance investigation report for submission to the Board of the GCF. The report shall include such recommendations on remedial actions as are appropriate in the light of the findings of the IRM.

VII. OBSERVATIONS

116. The IRM would like to draw the following observations to the attention of the Board and the GCF Secretariat.

Disclosure of environmental and social performance

117. Under paragraph 12 of the 2018 ESP GCF is responsible for confirming that information related to environmental and social safeguards of activities is appropriately disclosed under relevant policies and working with AEs to address any gaps or weaknesses.
118. Whilst EBRD has submitted ESS performance information to the GCF on an annual basis beginning in 2017, the IRM has not been able to identify any proactive public disclosure on FP039's ESS performance in 2017, 2018, and 2019; a period which includes part of the construction period at the Benban Solar Park.
119. In 2021 a request was made to the GCF IDP team for disclosure of four of the FP039 APRs.⁸³ The Secretariat declined to provide the requester with access to the 2017, 2018 and 2019 APRs on the basis that these had been provided to the GCF in confidence and referred for this purpose to paragraph 11(e) of the Information Disclosure Policy (*information provided in confidence*). Access to the publicly disclosed Calendar Year 2020 APR was granted.⁸⁴ The IRM emphasizes that para. 11 (e) states: "[t]his exception should not be applied broadly to an entire document if the document contains specific, segregable portions that can be disclosed without prejudice or harm." The IRM encourages the IDP team to carefully scrutinize AE requests for confidentiality in respect of APR reporting on environmental, social and gender performance.

Gender Action Plan and Gender Policy

120. The gender action plan associated with GCF's Benban subproject finance includes actions to promote equal opportunities, practices and policies in the renewable energy sector. A revised gender action plan shared with GCF in 2022 refers to piloting equal opportunities action plans, and to work to support selected private companies in the renewable energy sector to improve their equal opportunities policies and practices, enhancing career opportunities for women and increasing women's participation in key areas of the workforce. These activities do not appear to have extended to the FMC. This is regrettable given the FMC's role in mitigation of environmental and social risk and, through its employment of women, delivery of gender inclusion for the Benban site.

⁸³ See Decisions made for information disclosure request IDP302 <https://www.greenclimate.fund/document/decisions-made-information-disclosure-request-idp302>

⁸⁴ Available online via <https://www.ebrd.com/documents/donor-co-financing/egypt-renewables-public-apr-2020.pdf>