
Redress

Independent Redress Mechanism

Grievances and Complaints

Initial Steps Report

GCF Project FP146 BioClima

Case [C0006-NIC](#)

Date 18th of January 2022



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FUND**

Initial Steps Report

The Terms of Reference (TOR)¹ and the Procedures and Guidelines (PGs)² of the Independent Redress Mechanism (IRM) set out how the IRM deals with grievances or complaints from a person, group of persons, or community who have been, or may be affected by the adverse impacts of a GCF funded project or programme. Once a grievance or complaint has been declared eligible, the IRM, as part of its initial steps, holds discussions with the complainant(s) and potential parties to understand the issues at hand, explain the processes of the IRM, and to determine whether the parties wish to proceed with problem solving or compliance review or a combination of both. Under the IRM terminology, this phase is called the “initial steps phase”.

This process does not gather information to determine fault or make judgments on the merits of the complaint.

This report documents the initial steps process described above as well as its outcome with regard to this complaint.

SUMMARY OF OUTCOME

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

The complaint³ relates to the GCF funded project, FP146, “Bio-CLIMA⁴: Integrated climate action to reduce deforestation and strengthen resilience in BOSAWÁS and Rio San Juan Biospheres”, a project based in the Caribbean Region of Nicaragua. The main objective of this project is to restore degraded forest landscapes in the Bosawás and Rio San Juan Biosphere Reserves. This project also aims to promote sustainable land-use management and forest management.

On the 21st of July 2021 the IRM determined that the complaint was eligible⁵ under its TOR and PGs. Consequently, the IRM started engaging with the complainant and other stakeholders in the initial steps phase, to further evaluate the issues in the complaint and to provide further information on the options available with regard to the processing of the complaint, as indicated in paragraph 36 of the PGs. During the initial steps phase the IRM does not gather information to determine the merits of the complaint.

For these purposes, the IRM’s Compliance and Dispute Resolution Specialist undertook a mission to Central America to meet with several stakeholders – for reasons of confidentiality we are not specifying whom we met in Central America or where the meetings took place-. Those meetings and the mission travel were essential to build the necessary working

¹ Available at [2017 IRM Terms of Reference | Independent Redress Mechanism | Green Climate Fund](#)

² Available at [2019 Procedures and Guidelines of the IRM | Independent Redress Mechanism | Green Climate Fund](#)

³ The complaint is set out in the eligibility report <https://irm.greenclimate.fund/sites/default/files/case/c0006-nicaragua-eligibility-determination.pdf>

⁴ For more information on this project, visit the GCF website: [FP146: Bio-CLIMA: Integrated climate action to reduce deforestation and strengthen resilience in BOSAWÁS and Rio San Juan Biospheres | Green Climate Fund](#)

⁵ <https://irm.greenclimate.fund/sites/default/files/case/c0006-nicaragua-eligibility-determination.pdf>

relationship with all parties and to offer clarifications about the different features and implications of both the problem solving and compliance processes.

The initial conclusion of these rounds of meetings was that parties agreed to consider problem solving under the facilitation of the IRM. For that purpose, the IRM again held bilateral meetings seeking to craft a framework, content and design a process for a facilitated dialogue that could be agreed by everyone participating in the process. The attempt to reach an agreement on a framework agreement covering, among others, the process, proved to be challenging and inconclusive. In particular, there were differences about how contextual circumstances to the project area and other concerns and topics of dialogue could be accommodated within the process.

Another challenge was the pace at which the IRM was able to progress the initial steps phase, including obtaining timely reactions from some parties to its requests for feedback. In this regard, the IRM, taking into account these limitations and ones caused by Covid-19, the need to travel on mission to Central America and other considerations, has been flexible and has granted up to three extensions of time to conclude the initial steps process. It is important to note that the IRM's PGs establish that the initial step process needs to be concluded within 60 days after eligibility. However, in this case, up to 180 days were granted to the parties in total. The IRM set 17th January 2022 as the final deadline for the initial steps phase with notice to all parties. Unfortunately, the parties have not reached an agreement on substantive matters relating to the framework and process design of a dialogue before the deadline. In these circumstances, the complainants have communicated to the IRM their request to transfer the case to compliance review. Accordingly, the IRM is referring this complaint to compliance review in terms of paragraph 37 of its GPs.

Despite the reference to compliance review, the IRM encourages the parties to continue to engage in exploring the possibility of concluding a framework agreement for mediation, facilitated dialogue and problem solving. The IRM's Compliance and Dispute Resolution Specialist will continue to assist the parties in this regard and will help facilitate a continuing dialogue, without prejudice to the compliance review.

For the above-mentioned reasons, the IRM declares the initial steps phase concluded and refers the complaint to compliance review for further processing.

In accordance with paragraph 51 of the PGs, the IRM will within 14 days, forward the grievance or complaint (duly redacted if necessary) to the Executive Director of the GCF Secretariat with a request for a formal response. The Executive Director will have 21 days from the date of the request to respond to the complaint, after which the IRM will prepare a compliance appraisal report determining whether there is *prima facie* evidence that the complainant has been affected or may be affected by adverse impacts through non-compliance of the GCF funded project or programme with GCF operational policies and procedures and prepare a compliance appraisal report. For further information on the process followed by the IRM, please refer to paragraphs 50-70 of the IRM's PGs⁶.

⁶ [2019 Procedures and Guidelines of the IRM | Independent Redress Mechanism | Green Climate Fund](#)

[Signed]

*Recorded and communicated by
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