

Redress



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Mechanism

Independent Redress Mechanism

Grievances and Complaints

Initial Steps Report

GCF Project FP121: REDD+ Results-based payments in Paraguay for the period 2015-2017

Case C-0008-Paraguay

Date 27 September 2022

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.

SUMMARY OF OUTCOME

On 14 June 2022, the IRM received a webform communication submitted by Instituto Paraguayo del Indígena (Paraguayan Indigenous Institute, INDI). The IRM had a virtual call with INDI to clarify issues raised in the communication, after which INDI requested that the communication be treated as a complaint,³ and the IRM acknowledged the complaint on 1 July 2022.

The complaint relates to GCF funded project FP121, “REDD+ Results-based payments in Paraguay for the period 2015-2017.” The Accredited Entity for the project will use GCF funding to invest in implementing Paraguay’s National Strategy for Forests and Sustainable Growth, which is aligned with its Nationally Determined Contribution.

FP121 was approved at the 24th meeting of the GCF Board on 14 November 2019. The Accredited Entity (AE) of this Project is the United Nations Environment Programme (UNEP). As of the date of the publication of the initial steps report, the project is under implementation and 100% of the results-based payment was disbursed on 27 November 2020. The project is estimated to be completed on November 2026.

In its complaint, INDI claims that it should be involved in every decision-making process about the project that will affect the indigenous communities and that this process should involve the identification and selection of legitimate leaders who represent the different indigenous communities.

On 28 July 2022, the IRM determined that the complaint was eligible⁴ under its TOR and PGs. Consequently, the IRM started engaging with the complainant and other stakeholders in the phase of the initial step, to further evaluate the issues in the complaint and to provide further

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

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

³ The full text of the complaint is available at <https://irm.greenclimate.fund/sites/default/files/case/paraguay-complaint-english.pdf>

⁴ The eligibility report is available at <https://irm.greenclimate.fund/sites/default/files/case/determination-eligibility-final.pdf>

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 held a series of meetings with several stakeholders, including the complainant, the national designated authority – Ministry of the Environment and Sustainable Development (MADES) of Paraguay – and the accredited entity – the United Nations Environment Programme -.

The initial conclusion of these rounds of meetings was that parties seemed to be close in their positions, that the apparent disagreement had been caused by miscommunication and that the initiation of a formal process would likely not be needed. More specifically, during the calls, the National Designated Authority stated that its intention was to offer the complainant a seat on the steering committee of the project and that only several delays had prevented it.

Following these initial engagements, the National Designated Authority reported to the IRM that, on 5 September 2022, INDI had been formally granted a seat in the JDP (Junta Directiva del Proyecto) or steering committee of the project. Subsequently, the complainant communicated to the IRM that the case could be closed.

NEXT STEPS

In light of the facts described above, the IRM determines that there is no need to further process the case, given that parties have come to a solution without needing to decide whether to engage in formal mediation or pursue remedy through a compliance review process. This is without prejudice to the right of the complainant to again access the IRM in case new matters arise that have not been concluded by the IRM or new material information or evidence is submitted that was not available at the time the matter was previously considered by the IRM.⁵

For the reasons mentioned above, the IRM declares the phase of the initial step concluded and closes the cases without further processing.

[Signed]

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⁵ Par. 24 (b) of the IRM [procedures and guidelines](#)