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# Final Problem Solving Monitoring Report on IRM Case C-0009-Egypt in relation to GCF Project FP039: GCF-EBRD Egypt Renewable Energy Financing Framework

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## **Summary**

This report provides information to the Board on the implementation of the problem solving agreement of the Independent Redress Mechanism (IRM)'s case C-0009-Egypt in relation to GCF Project FP039: GCF-EBRD Egypt Renewable Energy Financing Framework, as required by paragraph 76 of the Procedures and Guidelines of the IRM (Decision B.22/22). This report discusses processes and outcomes of the implementation of the problem solving agreement signed by the parties in December 2023.



## Executive Summary

On 28 September 2022, the Independent Redress Mechanism (IRM) of the Green Climate Fund (GCF) received a complaint regarding community issues in Benban, Egypt, relevant to [FP039, “GCF-EBRD Egypt Renewable Energy Financing Framework.”](#) The complainants alleged that the community had yet to see benefits resulting from the Benban Solar Park projects and that the planned community development projects are not aligned with the community's needs.

FP039 is intended to accelerate the early-stage development of Egypt's renewable energy generation market. The initiative aimed to support Egypt's goal of achieving 20% renewable energy generation by 2022 and to contribute to significant reductions in greenhouse gas emissions. FP039 was approved on 6 April 2017. The Accredited Entity and Executing Entity for this project is the European Bank for Reconstruction and Development (EBRD). The Benban Solar Developers Association (BSDA) acts as the general coordinator for various projects in the Benban Solar Park.

In October 2022, the complaint was found eligible and progressed to the initial steps stage. In April 2023, the complainants and the BSDA (together, the parties) agreed to resolve the matters through problem solving, with an aim to reach a mutually satisfactory outcome. With the IRM's support, the complainants and BSDA agreed to structure their dialogue around four main topics: community consultation, livelihoods support, educational projects, and community health care assistance.

After a [comprehensive dialogue process](#), in December 2023, parties reached an [agreement](#) with a two-year implementation timeline with a monitoring role for the IRM. In 2024, the IRM supported the establishment of the BSDA and community [Joint Monitoring Committee](#), which met quarterly and served as a structured platform for collaborative monitoring and dialogue. During the monitoring period, the IRM reviewed relevant documents and held regular meetings with parties to gather updates and feedback.

The IRM issued the first monitoring report in January 2025, available on the IRM [case register](#). This is the second and final monitoring report, summarising the outcomes of implementing the problem solving agreement.

The signing of the agreement has led to the establishment of a substantial number of community support initiatives in Benban, alongside the creation of a formal dialogue platform through the Joint Monitoring Committee. Parties managed to improve community consultation practices and to develop several livelihood support, educational, and healthcare initiatives.

These outcomes represent a meaningful improvement in company–community relations; however, the process faced challenges in communication among the parties and in their ability to appreciate each other's efforts.

The IRM acknowledges the positive outcomes of the process and notes that some of the pending actions fall beyond the control of either party. As such, the parties are encouraged to continue working together and to engage with relevant local authorities to complete the pending actions.

This report was shared with the parties for comments prior to its finalisation and is being submitted to the GCF Board for information. The report will be disclosed on the [IRM case register](#) in English and Arabic, and the case will be closed.



## I. Introduction

The IRM is mandated to handle complaints received from a person, a group of two or more persons, or communities who have been or may be affected by adverse impacts of a project or programme, under paragraph 11 of its Updated Terms of Reference (Decision B.BM-2017/10).<sup>1</sup> In handling the complaint, the IRM is required to offer problem solving to the parties as a means of resolving it, under the IRM's Procedures and Guidelines (PGs) (Decision B.22/22).<sup>2</sup> As set out in paragraph 76 of the IRM's PGs, when the parties agree to problem solving, and they resolve their dispute through an agreement or a series of agreements, the IRM initiates a monitoring process to oversee the implementation of those agreements. This is the final problem solving monitoring report under case C-0009-Egypt and summarises the implementation of the agreement<sup>3</sup> reached by parties in December 2023 concerning the community-related issues.<sup>4</sup>

## II. Background

### 2.1 The Complaint

On 28 September 2022, the IRM received a complaint submitted by an employee of a company hired to work on projects under FP039 "GCF-EBRD Egypt Renewable Energy Financing Framework," located at the Benban Solar Park in Egypt. The complaint raised community development issues and alleged that the community had yet to see benefits stemming from the Benban Solar Park projects and that the planned community development projects did not sufficiently consider the community's needs.<sup>5</sup>

### 2.2 The Project

FP039 is intended to accelerate the early-stage development of Egypt's renewable energy generation market through two components: a technical assistance programme to create an enabling environment for private sector renewable energy investment in Egypt, and blended financing to mobilise private sector investment in renewable energy projects. The initiative aimed to support Egypt's goal of achieving 20% renewable energy generation by 2022 and to contribute to significant reductions in greenhouse gas emissions. FP039 was approved on 6 April 2017. The Accredited Entity and the Executing Entity for this programme are the EBRD. The BSDA acts as the general coordinator for various projects in the Benban Solar Park.<sup>6</sup>

### 2.3 The IRM Process

The complaint was declared eligible on 25 October 2022 under the IRM's TOR and PGs.<sup>7</sup> During the initial steps, the IRM was approached by other community members who stated they were similarly affected and asked to be included in the case process, which was accepted by the IRM in line with paragraph 36 of the IRM's Procedures and Guidelines (PGs). Following the eligibility

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

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

<sup>3</sup> The problem solving agreement is available at: <https://irm.greenclimate.fund/sites/default/files/case/irm-c-0009-egypt-community-complaint-final-agreement-web.pdf>

<sup>4</sup> The first problem solving monitoring report is available at: <https://irm.greenclimate.fund/sites/default/files/case/09-problem-solving-monitoring-report-irm-case-c-0009-egypt-relation-gcf-project-fp039-gcf-b41-inf08.pdf>

<sup>5</sup> In addition to community issues, complainants raised labour and working conditions concerns that have been reviewed by the IRM separately through a compliance review. More information is available at: <https://irm.greenclimate.fund/case/c0009-egypt>

<sup>6</sup> More information about the project is available at: <https://www.greenclimate.fund/project/fp039>

<sup>7</sup> The eligibility determination is available at: <https://irm.greenclimate.fund/sites/default/files/case/determination-eligibility-c0009.pdf>



determination, the IRM engaged with the complainants, BSDA and other stakeholders in the initial steps phase to further evaluate the issues in the complaint and to provide more information on the options available for case processing. On 7 April 2023, the complainants and BSDA agreed to resolve the matters raised through problem solving with an aim to reaching a mutually satisfactory outcome under the facilitation of the IRM.<sup>8</sup>

### III. Problem Solving

The IRM conducted the problem solving process from April to December 2023 between complainants represented by eight Benban Bahri community members and the BSDA. The problem solving initiative was conducted by the IRM team with the help of an international mediator and a local mediator based in Egypt. At the beginning of the problem solving process, the IRM worked with parties to help them identify their representatives and to assist them in agreeing on the ground rules for the dialogue process. Additionally, the IRM supported the parties in structuring the topics for discussion into four main areas: community consultation, livelihoods support, education, and healthcare. The IRM held several online and in-person meetings to build trust with the parties, discuss community needs and priorities, and explore options to address the issues to both parties' satisfaction.



Photo 1: BSDA, community members and IRM signing the agreement in Aswan, Egypt, on 15 December 2023.

After a [comprehensive dialogue process](#) between the parties, they reached a [problem solving agreement](#) in a joint meeting organised in Aswan, Egypt, on 14 and 15 December 2023. The agreement was aimed at enhancing trust, transparency, and effectiveness of BSDA's community consultation practices, and addressing community concerns related to livelihoods, education, and healthcare. The agreement also included a two-year implementation timeline (2024-2025) with a monitoring role for the IRM. After the agreement was signed, the case was transferred to the problem solving monitoring stage.

### IV. Problem Solving Monitoring

As set out in paragraph 76 of the IRM's PGs, when the parties resolve their dispute through an agreement or a series of agreements, the IRM initiates a monitoring process to oversee its implementation.

#### 4.1 Monitoring Activities

In December 2024, the IRM supported parties in establishing a [Joint Monitoring Committee](#) composed of representatives from each party, which has been meeting quarterly to discuss updates and address outstanding issues.



Photo 2: IRM local mediator and members of the Joint Monitoring Committee in Aswan, Egypt, in February 2025

<sup>8</sup> The initial steps report is available at: <https://irm.greenclimate.fund/sites/default/files/case/initial-steps-report-c-0009-egypt-final-web.pdf>



Throughout the monitoring stage, the IRM regularly communicated with the parties to ensure that their commitments were implemented in accordance with the agreed timeline. In addition, the IRM local mediator travelled to Aswan in November and December 2024, as well as in February, May, and October 2025, to engage in person with parties and gather their feedback. These engagements were aimed at building trust between the parties and keeping the communication open to facilitate progress on unresolved matters. Below is a summary of the agreement implementation as of the end of January 2026.

## 4.2 Status of Agreement Implementation

**Community consultation practices:** One of the objectives of the agreement was to establish a transparent, representative, and effective community consultation mechanism through a reformed Community Advisory Participation (CAP). By the end of 2025, a new CAP was formed through an open call that clearly outlined the criteria stated in the agreement. However, community representatives raised concerns over its representation, management, and community participation. On their side, BSDA listened to the concerns raised and showed willingness to improve it while acknowledging Benban's unique context. The IRM encourages parties to continue engaging and listening to each other's needs and expectations to ensure a meaningful consultation process.

**Livelihood programmes:** Notable achievements include vocational trainings for 48 trainees from Aswan, the launch of the Tatweer project to support handicraft initiatives and the provision of transportation subsidies to local youth. BSDA also requested that local authorities allocate land for industrial use to support date processing and packaging, as well as palm waste recycling. Additionally, BSDA completed feasibility studies on a range of community needs, including food refrigerated storage, reducing home temperatures using palm leaves, sewage and drainage, and groundwater issues.



Photo 3: Aswan women entrepreneurs producing handicrafts, April 2025

While the community acknowledged these outcomes, they raised questions about beneficiary selection and the limited number of jobs available for energy school graduates. They also noted that the vehicles (six delivered and two to follow) offered by the BSDA are insufficient to meet the community's transportation needs. Despite differing views regarding the outcomes, BSDA demonstrated transparent and meaningful engagement with community members and delivered across a broad range of livelihood needs. Additionally, BSDA is committed to continuing to invite graduates from the local energy school to apply for future job openings within the Benban Solar Park as a way of strengthening linkages between vocational trainings and employment opportunities.

**Education programmes:** The activities focused on improving access to education for local youth and raising awareness on climate adaptation in Benban. BSDA awarded scholarships to four Benban students based on clearly established criteria overseen by an independent selection committee. Community members, however, voiced concerns about the transparency of the selection process and the long-term outcomes for recipients. Furthermore, BSDA donated interactive screens and photocopiers to local schools, enhancing teaching in education settings. They also supported special needs classes by helping teachers align the curriculum to better meet the needs of vulnerable students.



In addition, BSDA rolled out a range of education programmes for the community, including community climate change awareness, hydroponic farming adaptation, and literacy classes targeted at young women to boost employability. Community members also benefited from English language and computer skills courses to better respond to the job market. These efforts were coupled with greening activities and tree planting in the area to promote environmental resilience. The community members appreciated the help provided but called for greater visibility for awareness campaigns, more frequent progress updates, and adjustments of learning materials to better align with cultural and contextual contexts.



Photo 4: Hydroponic awareness session in Benban, March 2024

**Healthcare programmes:** BSDA supplied regular maintenance for a local hospital and delivered health caravans alongside awareness sessions. They also rolled out a waste-collection system serving 3,250 subscribers. While the community appreciated the waste collection system, they raised the need for more frequent collection and expanded coverage to better meet daily demands.



Photo 5: Benban waste collectors, May 2024

BSDA also offered a specialised car to transport medical waste, but the community expressed concerns over its potential non-compliance with hazardous medical waste standards. Moreover, the community alleged that no dedicated sanitation truck was provided and that the procurement of the X-ray unit stalled due to the absence of the authorities' approval. Additionally, the community raised several healthcare needs in Aswan, which BSDA shared with relevant authorities for consideration and action.

## V. Lessons Learnt

**Collaborative monitoring requires continuous capacity building and good-faith engagement:** The parties worked collaboratively with the IRM to develop guidelines for a Joint Monitoring Committee that supported agreement-monitoring efforts. At the beginning of the monitoring period, the Joint Monitoring Committee engaged actively, leading to joint activities. However, the relationship between the members deteriorated in 2025 amid differing expectations regarding the implementation of certain commitments. This highlights the critical need for continuous capacity building and good-faith negotiations for an effective dialogue and parties' cooperation.

**Reliable information sharing is essential to building trust and resolving disputes:** Early in the problem solving process, community members had limited access to project information. To build greater transparency and trust, the IRM facilitated several meetings between the parties, but fell short of creating a robust communication platform. Ultimately, the Joint Monitoring Committee facilitated by the IRM, coupled with several field missions to Aswan by the IRM, ensured continuous information exchange, which is critical to an effective dispute resolution process.

**IRM engagement remains essential beyond agreement signing:** The signing of the agreement was a significant outcome, but the IRM's involvement was still needed to monitor its implementation. The IRM worked closely with BSDA and complainants to develop an implementation timeline, structure the relevant evidence, and facilitate meaningful information exchange among all parties.



**The support of a trusted local mediator strengthens monitoring and implementation:** The IRM was supported by a local mediator throughout the mediation process and during the agreement-monitoring stage. This was key to communicating directly with the parties, understanding their needs and priorities, building trust in the IRM process and between the parties. This role also served as a trusted bridge for de-escalation of tension and dialogue.

**Continued support from relevant authorities is necessary to resolve the pending actions:** Although the great majority of issues have been resolved, additional external support is required from relevant authorities so that the remaining initiatives can be completed, such as allocating industrial land and providing sanitation equipment. With the formal IRM monitoring now concluded, the parties are encouraged to continue their collaboration and complete the implementation of the pending actions.

## VI. Conclusion

The signing of the agreement has led to the establishment of a substantial number of community support initiatives in Benban, alongside the creation of a formal dialogue platform through the Joint Monitoring Committee. Parties managed to improve community consultation practices and to develop several livelihood support, educational, and healthcare initiatives.

These outcomes represent a meaningful improvement in company–community relations in Benban. However, the process faced challenges in parties’ communication and their ability to appreciate each other’s efforts.

The IRM acknowledges the positive outcomes of the process and notes that some of the pending actions fall beyond the control of either party. As such, the parties are encouraged to continue working together and to engage with relevant local authorities to complete the pending actions.

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