



**GREEN
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Independent Redress Mechanism Work Plan and Budget for 2018

Summary

This document presents the 2018 work plan and budget of the Independent Redress Mechanism (IRM) of the GCF. The IRM is one of the three accountability mechanisms of the GCF and is mandated by its Governing Instrument. The Board has mandated the IRM to complete several tasks in 2018. This work plan seeks to give effect to the Board decisions concerning the IRM. The work plan has three components as follows:

- (a) Operate the IRM;
- (b) Develop procedures; and
- (c) Process complaints and requests for reconsideration of funding decisions.

A draft decision is presented in annex I for Board consideration.

Executive Summary

1. The Independent Redress Mechanism (IRM) is mandated in paragraph 69 of the GCF's Governing Instrument. This paragraph states that "(t)he Board will establish an independent redress mechanism that will report to the Board. The mechanism will receive complaints related to the operation of the Fund and will evaluate and make recommendations." The IRM reports directly to the Board and is subject to the decisions of the Board. It is independent of the Secretariat of the GCF. The Board adopted an updated terms of reference of the IRM on 25 September 2017 (decision B.BM-2017/10).
2. The terms of reference specify that the Board will consider and approve the annual work plan and budget of the IRM to be presented by the Head of the IRM. To give effect to Board decisions and implement the Board approved TOR, the IRM has developed the work plan for 2018 set out in annex II with a supporting budget for 2018 set out in annex III, and the Board is requested to consider and approve the same. A draft Board decision is set out in annex I.
3. A summary of the work of the IRM for 2017 is set out in the document GCF/B.19/17 titled "Report on the activities of the Independent Redress Mechanism".
4. The work plan in annex II has three key components:
 - (a) Operate the IRM;
 - (b) Develop procedures; and
 - (c) Process complaints and requests for reconsideration of funding decisions.
5. The first component of operating the IRM, has eight sub-components. They are as follows:
 - (a) Staff and consultants: setting out the staffing and consulting resources needed by the IRM to implement the TOR;
 - (b) Operating procedures (OPs) for the IRM: developing internal OPs based on the TOR, and the Procedures and Guidelines to be adopted by the Board;
 - (c) Communications strategy: a strategy to (a) undertake stakeholder and public outreach and (b) implement the capacity building of redress mechanisms of accredited direct access entities as mandated in the TOR;
 - (d) Strengthening capacities of redress mechanisms of direct access AEs: providing for the development of training materials and workshops;
 - (e) Providing advice to the GCF Secretariat on new policies and revision of existing policies as mandated by the TOR;
 - (f) Case management system (CMS): developing a CMS and updated website to process complaints and requests, and gather and analyse data needed for the IRM to perform its functions well;
 - (g) Independent Accountability Mechanisms Network (IAMnet): continuing as an active member of IAMnet; and
 - (h) Reports: developing and issuing reports to the Board, stakeholders and the public as mandated in the TOR.

6. The second component is developing procedures and involves the presentation of draft Procedures and Guidelines to the Board for adoption as mandated in the TOR. The third component is processing complaints and requests for reconsideration of decisions denying funding.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.19/08 titled “Independent Redress Mechanism Work Plan and Budget for 2018”:

- (a) Approves the work plan and budget of the Independent Redress Mechanism for 2018 as contained in annex II and III of document GCF/B.19/08 (total budgeted amount of US\$911,820).

Annex II: Work Plan of the Independent Redress Mechanism

I. Introduction

1.1 Background

1. The Independent Redress Mechanism (IRM) is mandated in paragraph 69 of the GCF's Governing Instrument. This paragraph states that "(t)he Board will establish an independent redress mechanism that will report to the Board. The mechanism will receive complaints related to the operation of the Fund and will evaluate and make recommendations." The IRM performs a key function within the GCF's accountability mechanisms. The IRM reports directly to the Board and is subject to the decisions of the Board. It is independent of the Secretariat of the GCF. The Board adopted an updated terms of reference of the IRM on 25 September 2017 (GCF/B.BM-2017/10) superseding an earlier terms of reference it had adopted at its sixth meeting (see document GCF/B.06/06).
2. The terms of reference specify that "to ensure the financial independence of the IRM, the Head of the IRM will propose a work plan, and budget for meeting the annual expenses and the Board will consider and approve this work plan and budget." The terms of reference also states that the annual work plan and budget shall be submitted to the Board through the Ethics and Audit Committee (EAC). This work plan and budget has also been submitted to the EAC and its feedback has been incorporated. Additionally, this work plan and budget was first presented to the Board at B.18 but was not considered due to lack of time. Subsequently it was re-circulated to the Board by the Co-Chairs for comment. This work plan and budget was revised in response to comments received from Board members.
3. To give effect to Board decisions and implement the Board approved terms of reference, the IRM has developed this work plan and budget for 2018, and the Board is requested to consider and approve the same.

1.2 Implementation of the 2017 Work Plan

4. A summary of the work of the IRM for 2017 is set out in document GCF/B.19/17 titled "Report on the activities of the Independent Redress Mechanism". As mandated by the Board in decision B.15/12, the IRM has consulted with the Ethics and Audit Committee (EAC) in the implementation of the 2017 work plan, reporting to it on a quarterly basis.

1.3 Work plan and budget

5. In terms of the Board approved TOR, the IRM has developed this work plan and budget for presentation to the Board. The budget was developed in consultation with the Chief Financial Officer of the GCF Secretariat. The budget for 2018 will allow the IRM to implement the activities set out in this work plan. Depending on the complaints and reconsideration requests received by the IRM (which are unpredictable), the budget may need to be supplemented during the year. The budget is set out in annex III hereof.

1.4 Key components of the 2018 Work Plan

6. The work plan is divided into three closely related components. Each component is essential for operating the IRM and ensuring that Board mandated tasks are completed in a timely and efficient fashion. A draft Board decision is suggested in annex I. A supporting budget is provided in annex III. The three main components of the work plan are as follows:

- (a) Operate the IRM;
 - (b) Develop Procedures; and
 - (c) Process Complaints and Reconsideration Requests
7. Each of these tasks is explained in more detail below.

II. Operate the IRM

2.1 Staff and consultants

8. The IRM is led by the Head of the IRM. It is now staffed by a Compliance and Dispute Resolution Specialist, and a Team Assistant (who may also be designated as the Registrar of the IRM). No staffing changes are envisaged in 2018, unless the case load increases significantly. The IRM also recruited two senior level Advisors as consultants to support the work of the IRM. The IRM expects the Advisors will continue their work through August 2018, and the IRM will contract other consultants as needed for effective management of cases.

2.2 Operating procedures (OPs) for the IRM

9. The IRM has developed and will pilot draft internal operating procedures (OPs), to efficiently and effectively implement the TOR and the Procedures and Guidelines of the IRM when adopted by the Board (see section 3.1 below).

2.3 Communications strategy

10. The IRM has developed a communications strategy to effectively implement the TOR. The implementation of the strategy has budgetary implications. The strategy will help achieve the following TOR mandated tasks systematically and efficiently:

- (a) Share lessons learned from cases that are handled by the IRM;
- (b) Share best practices with the GCF and with direct access accredited entities and strengthen the capacity of grievance redress mechanisms of such entities, as appropriate; and
- (c) Provide outreach and education to relevant stakeholders and the public through workshops (including with civil society, accredited entities and NDAs) and disseminate information in user-friendly formats. In these efforts, the IRM will work closely with redress mechanisms of accredited entities to conduct regional and national workshops and other outreach events.

2.4 Strengthening capacities of redress mechanisms of direct access AEs

11. Under the TOR, the IRM is mandated to share best practices and give guidance that can be helpful for strengthening of capacities of the accountability/redress mechanisms of direct access accredited entities. The IRM is developing capacity building activities for strengthening redress mechanisms of direct access entities who need such assistance. Based on a survey of such mechanisms and their capacities, the IRM will assess their needs and offer assistance by way of training workshops, manuals and advice. Experience gained in strengthening such capacities will be summarized and shared with the redress mechanisms of all accredited entities.

2.5 Providing advice

12. The IRM has provided the Secretariat with feedback on improving the draft environmental and social management system (ESMS), the draft update to the gender equality and social inclusion policy and the draft indigenous peoples' policy. Additionally, the IRM has provided advice on improving aspects of the accreditation process regarding the evaluation of grievance mechanisms of candidate accredited entities and on the redress mechanism related provisions of accreditation master agreements. The IRM will continue these advisory services in 2018.

2.6 Case management system (CMS)

13. The IRM needs a case management system (CMS) to systematically, consistently and timely process complaints and reconsideration requests received by it. A CMS is also needed to collect and analyse data related to such complaints and reconsideration requests so that the IRM's capacity building activities for accredited entities and advice to the GCF based on lessons learned are well grounded. The best practice is to establish a CMS to accomplish these goals.

14. The CMS should be able to capture and analyse data on complaints and reconsideration requests received by the IRM for use in:

- (a) Managing such complaints and reconsideration requests in accordance with the Procedures and Guidelines;
- (b) Identifying trends and distilling lessons learned with a view to providing advice to the GCF for improved performance of its activities;
- (c) Reporting to the Board and driving the case information in an updated IRM website;
- (d) Understanding complaints relating to GCF funded projects that are managed by the AEs' grievance mechanisms and how the IRM can add value to them; and
- (e) Future planning and improvement of the IRM.

15. Although several off-the-shelf CMS products exist, none are designed to follow the logic of independent grievance mechanisms. Experience from other institutions -specifically the IFC, IADB and UNDP- shows that the time and cost needed to adapt an off-the-shelf system to follow the grievance mechanisms case handling logic and to integrate it with the data systems of the institution, are almost as high as custom building a system. Based on these lessons, and as a first step, the IRM is working with the ICT Department of the GCF Secretariat to develop a simplified version of the CMS to track data and pilot the structure and the data requirements. The IRM is seeking budgetary support for building

on the pilot and establishing a comprehensive and robust CMS in 2018, including an upgraded IRM website that is integrated with and driven by the CMS. Ensuring that a sound CMS is in place before cases are filed will allow the GCF to get ahead of the curve, rather than facing innumerable challenges faced by other mechanisms in attempting to retrofit a CMS later. The experience gained in developing and operating a CMS will be shared with the redress mechanisms of all accredited entities.

2.7 Independent Accountability Mechanisms Network

16. With Board approval, the IRM joined the Independent Accountability Mechanisms Network (IAMnet) in February 2017. IAMnet is a community of practice in this area. There are over 40 accountability mechanisms of international financial institutions and funds, and a significant number of the independent redress mechanisms of the current accredited entities are members of this network. The IRM will continue to actively participate in IAMnet, including attending its annual meeting and serving on working groups.

2.8 Reports

17. The TOR requires the IRM to publish an annual report for dissemination to the public. Additionally, the TOR envisages periodic reports from the IRM to the Board. Furthermore, the GCF is expected to report to the UNFCCC, among other things, about the work of the IRM. The IRM will prepare all the aforesaid reports in a timely and appropriate manner. Public reports will be published on the IRM's webpage and will also be made available through other appropriate means.

III. Develop Procedures

3.1 Procedures and guidelines

18. The Board, by decision B.13/24, requested the Head of the IRM to prepare, with the support of the Secretariat, for consideration by the Board, procedures and guidelines for the IRM (decision B.06/09, annex V, paragraph 14 (document GCF/B.06/18, annex V, paragraph 14)) "in close consultation with similar or equivalent mechanisms of accredited entities and other stakeholders". The IRM is giving effect to this decision. Draft Procedures and Guidelines were presented to the EAC in mid-August 2017 for its preliminary consideration. Thereafter, the draft will be opened for public and stakeholder consultations. Following further deliberations on the draft by the EAC, they will be presented to the Board for adoption in 2018.

IV. Process Complaints and Reconsideration Requests

4.1 Complaints and Requests

19. The IRM is now operational and able to process (a) *complaints* from persons adversely affected by GCF funded projects or programmes, and (b) *requests* from developing countries for reconsideration of funding denied by the Board. In 2017, the IRM received one complaint from Bangladesh which was declared ineligible. It has not received any reconsideration requests yet.

Annex III: Budget for 2018

Independent Redress Mechanism Unit BUDGET 2018		
		2018 Budget
4.1	Salaries and consultants	
4.1.1	Full-time staff	574,820
4.1.2	Consultancies	134,000
	Sub-total: Salaries & consultants	708,820
4.2	Travel	
4.2.1	Staff Travel	30,000
4.2.2	Travel Associated with complaints/requests	48,000
	Sub-total: Travel	78,000
4.3	Professional services	
4.3.1	Case Management System	100,000
4.3.2	Operating costs including outreach/CB materials	25,000
	Sub-total: Professional services	125,000
	Grand total (1+2+3)*	911,820

Notes:

4.1.2 A sum of USD 80,000 has been earmarked for two part-time consultants (Advisors) to assist the IRM with developing Procedures and Guidelines and updating Supporting Operating Procedures (till August 2018). A sum of 54,000 has been earmarked for consultants (subject experts and mediators) required for processing complaints and reconsideration requests received by the IRM. The number of requests and complaints that may be received in 2018 is unpredictable. For the purposes of this budget it has been assumed that the IRM may receive 3 cases in 2018 with a geographical spread in Africa, Latin America and Asia.

4.2.1 Staff travel includes IRM staff attending one Board meeting to be held outside of Songdo, the annual meeting of IAMnet and one capacity building workshop for grievance redress mechanisms of direct access entities.

4.2.2 IRM staff and consultant travels associated with 3 potential complaints and reconsideration requests that may be received by the IRM in 2018. Travel for each case has been budgeted on the basis that the Staff of the IRM and one expert mediator/consultant will need to travel to the project country once during problem solving and once during investigation in each such case.

4.3.1 Professional services include the estimated cost for the establishment of a custom-built case management system (USD 100,000) and the production of outreach and capacity building materials (USD 25,000). Such materials will be used for outreach to stakeholders and the public and for capacity building for the grievance mechanisms of direct access entities.