

Summary of Eligibility Statement

Project : Redacted
ICM Case: 2024-03
Date: 22.07.2024

public version*

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1 INTRODUCTION

The Independent Complaint Mechanism (ICM) of the International Climate Initiative (IKI) was established to enable people who suffer (potential) negative social and/or environmental consequences from IKI projects, or who wish to report the improper use of funds, to voice their complaints and seek redress. The ICM Policy¹ dated 1 February 2022 sets out how the ICM deals with complaints from a person, group of persons, or community who may be/may have been negatively impacted by or during the course of an IKI project and/or would like to report significant adverse environmental impacts caused directly by the IKI project and/or that would like to provide evidence of economic crime or violations of budgetary or grant law by or in the course of an IKI project. Once a complaint is received, the ICM Policy requires the ICM to determine if the complaint is eligible. It is to be noted that this determination is procedural and that it does not represent a judgement on the merits of the case (Section 4.1.2 (g)).

2 SUMMARY OF ELIGIBILITY DETERMINATION

For reasons stated in this document, the ICM determines that this complaint is **ineligible** under the ICM Policy.²

3 COMPLAINT AND PROCEDURAL HISTORY

The ICM received the complaint on 25 February 2024. The complaint relates to a project in Africa funded by IKI (and a similar project with the same Implementing Organization (IO) funded by another donor). The complaint alleges, among others, that there has been corruption and misuse of funds by the IO mostly through two of its offices, that project funds were improperly used to “support travels and per diems and accommodation and research expenses...that were not related with this...project”, that “thousands of Euros from this project” had been used to fund the “lavish travel to Europe” by a staff member of one office, while another staff member from the other office had “funded [personal] research using this project funds”, that project assessment contracts had been assigned to a consultancy firm allegedly owned by staff members of the IO, and that project funds had been used to promote other private companies in Africa owned by staff of the IO.

The ICM acknowledged receipt of the complaint on 11 March 2024.

The ICM thereafter made several unsuccessful attempts to contact the complainant(s) to obtain further details about the complaint.

Reprisal risk assessment

Since the complaint relates to alleged corruption and mismanagement of funds by staff of the IO, there is a possibility that the complainant(s) may be retaliated against by personnel of the IO. For this reason, the ICM classified the reprisal risk as “high”. Accordingly, the complaint

¹ Available at: https://www.international-climate-initiative.com/fileadmin/iki/Dokumente/Beschwerdemechanismus/IKI_ICM_policy_EN_202202.pdf.

² EDITING OF THE ELIGIBILITY DETERMINATION: This complaint relates to the misuse of funds. In line with the IKI ICM policy (Section 3.5 Nr. 1), this eligibility statement is therefore redacted so as not to disclose any information that could identify the person(s) and/or organizations which are the subject of the complaint. This also relates to information about the IKI project in question, particularly the country, name of the project, funding amount and the competent Ministry.

will be treated as confidential by the ICM. As set out in the ICM policy, IKI does not tolerate reprisals and retaliation against complainants.

Communication with ZUG/IKI and IO

The ICM, in keeping with its policy,³ contacted ZUG and the relevant Ministry and requested them to comment on the complaint. For this purpose, the ICM provided ZUG and the relevant Ministry with a redacted version of the complaint, in light of the reprisal risk assessment. Both ZUG and the relevant Ministry endorsed further investigation of the complaint, but did not wish to provide a separate statement at this point. Since the panel decided to declare the complaint inadmissible, the IO was not contacted at this point in time.

Communication with the other donor

The ICM has been informed that both IKI and the other donor will explore the possibility of conducting an in-depth audit of their respective projects. The other donor has also informed the ICM that its grievance mechanism received a similar complaint, and a comparison of the two complaints shows that the complaint filed with the other donor is somewhat broader than the one filed with the ICM.

4 ELIGIBILITY ASSESSMENT

The ICM examined the eligibility of the complaint against the ICM Policy. As described above and in more detail in the ICM Policy, the ICM “investigates breaches of environmental and social safeguards, budgetary law, incidents of financial crime, reprisals and threats against complainants that fall under the scope of the IKI’s funding activities.”⁴ Complaints must relate to one of the categories of complaints outlined in the ICM Policy. Those complaints relating to economic crime or violations of budgetary or grant law must also include some evidence of the alleged conduct.

The ICM was able to confirm that the complaint directly related to an IKI project. The project was completed and closed within the limitation period prescribed in the ICM policy.

The allegations contained in the complaint, if true, may indicate economic crimes or violations of budgetary or grant law. However, apart from the allegations contained in the complaint, no material evidence of the alleged corruption or misuse of funds has been made available by the complainant(s) to the ICM. Unfortunately, the complainant(s) have not responded to five emails requesting information and/or a meeting with the ICM.

Taking all the material available into account at this initial procedural stage, and also having carefully considered the comments of ZUG and the relevant Ministry, the ICM concludes that the complainant(s) did not provide evidence of criminal acts or violations of German budgetary law enabling the ICM to process this complaint further.

The eligibility criteria and the ICM’s findings in relation to these criteria are set out in the table below.

Criterion	Yes/No/Not applicable	Reason(s)
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³ IKI ICM Policy, Section 4.1.2(c).

⁴ IKI ICM Policy, Section 1.

Was required information provided to the ICM (see Sections 3.4 and 3.5 of the ICM Policy)?	Yes	The complainant(s) have provided all required information as set out in Section 3.4 and 3.5 of the ICM Policy.
Does IKI have a funding relationship with the project (whether past, present, or future)?	Yes	The project involved is financed by IKI.
Is there a link between the IKI-funded project and the subject of the complaint?	Yes	The subject of the complaint is about the alleged unauthorized diversion of funds in an IKI-funded project.
Are there grounds for exclusion (Section 3.7) of the complaint?	No	The complaint does not fall into any of the exclusions set out in Section 3.7 of the ICM policy.
Is there at least one (1) complainant.	Yes	
Does the complaint relate to safeguards	No	
If so, (a) have the complainant(s) credibly demonstrated that either they themselves or third parties are impacted or are likely to be impacted by an IKI project? ⁵ (b) Does the complaint include information about (potentially) significant (not) indirect adverse effects or risks to complainant(s) or third parties?	(a) Not applicable (b) Not applicable	
Does the complaint relate to economic crime or violations of budgetary or grant law	Yes	
If so, has the complainant(s) provided evidence of criminal acts or violations of German budgetary law?	No	Despite several attempts, the ICM has not been able to contact the complainant(s) and no evidence beyond the initial complaint has been provided by the complainant(s).
Does the complaint relate to reprisals of threats against complainants	No	
If so, have specific incidents of reprisals or threats been included in the complaint?	No	The complainant(s) have not set out specific incidents of reprisal or threats in the complaint. However, for the reasons set out above, the ICM concludes that there exists a high

⁵ Exception: in case of negative environmental impacts, this criterion of individual concern may be waived if the environmental impacts are direct, are significant, and are directly caused by the IKI project.

		possibility of reprisals against the complainant(s)
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5 ELIGIBILITY DETERMINATION

The eligibility criteria as set out by the ICM Policy are not fulfilled. The ICM consequently determines that the complaint is **ineligible**.

The ICM will inform the supervisory body and the complainant(s) and other parties involved that this complaint is ineligible (Section 4.1.2 (e) and (f)). This decision will also be published on the ICM website.

The ICM will now close this case, without prejudice to the complainant(s) providing any new evidence of the allegations in the complaint, in which event, the ICM will consider re-opening this complaint.

Issued by the ICM Independent Expert Panel

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