

Eligibility Statement

Project: Redacted*
ICM Case: 2024-04
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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.

3 COMPLAINT AND PROCEDURAL HISTORY

On 1 March 2024, the ICM received a complaint concerning a project in South-East Asia (the Project). The Project works with stakeholders in partner countries to encourage climate-friendly cultivation practices. The Project is funded by IKI and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH², hereafter „GIZ“.

The complaint alleges negative environmental impact of the commercial activities of a subsidiary of a private sector entity (“PSE”). In particular, the complaint alleges natural habitat and biodiversity loss due to deforestation and land degradation. PSE is a cooperation partner of the Project that signed a Collaboration Agreement with GIZ.

The ICM acknowledged receipt of the complaint on 12 March 2024.

The ICM reviewed the submitted documentation and contacted the complainant(s) to obtain further details on the complaint and its relation to an IKI project. Further, the ICM obtained additional information and clarifications from ZUG and GIZ, the implementing organisation of the Project.

During phone conversations, the complainant(s) raised a second set of allegations concerning unethical and fraudulent activities. The Panel of Experts of the ICM decided to treat this second set of allegations together with the original allegations concerning negative environmental impacts to reduce the (administrative) burden on all parties. Additional time was therefore needed to review and assess these additional allegations before the Panel could determine the eligibility of the overall complaint.³

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

² German Corporation for International Cooperation.

³ Originally foreseen for 24 April 2024.

The complainant(s) raised concerns about (potential) reprisals from representatives of PSE. As set out in the ICM policy, IKI does not tolerate reprisals and retaliation against complainants. While the ICM acknowledges that the raised concerns about reprisals are not linked to the implementing organisation or its implementing partners,⁴ the ICM requests all parties to honour the right to raise concerns and complain.

The ICM, in keeping with its policy,⁵ contacted ZUG, the relevant Ministry and the implementing organisation and gave them an opportunity to comment on the complaint. For this purpose, the ICM provided ZUG, the relevant Ministry and the implementing organisation with a redacted version of the complaint, in light of the allegation of reprisals made by the complainant(s). Neither ZUG or the relevant Ministry wished to provide a formal statement on the content of the complaint. The implementing organization provided clarifications regarding the content and procedures of the Project.

4 ELIGIBILITY ASSESSMENT

The ICM examined the eligibility of the complaint against the ICM Policy.

In this case, the eligibility assessment focused on the question of whether the activities of PSE that allegedly cause negative environmental impacts are part of the Project. The Project mainly supports training and certification of smallholders. The cooperation of the Project with PSE is limited to operational support of smallholder trainings. The complaint does not allege negative environmental impacts from this support, but from the general commercial activities of PSE. However, no funds have been provided to PSE or its subsidiaries either directly or indirectly for its general activities. It can therefore not be argued that the Project supports the general activities of PSE, or its subsidiaries. As a result, the (possible) negative environmental impact of PSE's activities cannot be linked to the Project.

Regarding the second set of allegations, the ICM has not received evidence of criminal acts or violations of German budgetary law as per the eligibility criteria.

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

⁴ IKI ICM Policy, Section 2.2 specifies that the ICM "handles complaints involving threats or reprisals carried out by **implementing organisations** or their **implementing partners** [emphasis added] experienced by complainants as a result of their complaint to the IKI complaint mechanism."

⁵ IKI ICM Policy, Section 4.1.2(c).

Criterion	Yes/No/Not applicable	Reason(s)
Was required information provided to the ICM (see Sections 3.4 and 3.5 of the ICM Policy)?	No	The complainant(s) could not provide satisfactory information on how the alleged environmental harm was caused by the Project.
Does IKI have a funding relationship with the project (whether past, present or future)?	Yes	The Project is financed by IKI.
Is there a link between the IKI-funded project and the subject of the complaint?	No	As outlined above, the general activities of PSE do not form part of the Project.
Are there grounds for exclusion (Section 3.7) of the complaint?	Not applicable	Since the subject of the complaint does not relate to an IKI project, further grounds for exclusion have not been assessed.
Is there at least one (1) complainant.	Yes	
Does the complaint relate to safeguards	Yes	First set of allegations.
If so, (a) have the complainants credibly demonstrated that either they themselves or third parties are impacted or are likely to be impacted by an IKI project? ⁶ (b) Does the complaint include information about (potentially) significant (not) indirect adverse effects or risks to complainants or third parties?	(a) No (b) No	The complaint is found ineligible due to the lack of link between the Project and the subject of the complaint (concerning the first set of allegations). No direct, significant environmental impacts could be established that are directly caused by the Project as per Section 4.1.1.f of the ICM Policy.
Does the complaint relate to economic crime or violations of budgetary or grant law	Yes	Second set of allegations.
If so, has the complainant provided evidence of criminal acts or violations of German budgetary law?	No	No evidence was provided.
Does the complaint relate to reprisals of threats against complainants	No	The expressed concerns of reprisals (see section 3 above) do not concern the

⁶ 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.

		implementing organisation or its implementing partners.
If so, have specific incidents of reprisals or threats been included in the complaint?	Not applicable	

5 ELIGIBILITY DETERMINATION

Considering all the evidence available at this initial procedural stage, the ICM concludes that 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, the complainant(s), the implementing organisation and ZUG that this complaint is ineligible. This decision will also be published on the ICM website.

Issued by the ICM Independent Expert Panel

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