

Statement of Eligibility

Redacted version*
Project: (Redacted)
ICM Case: 2023-02
Date: 27.07.2023

* EDITING OF THE ELIGIBILITY DETERMINATION: In line with the IKI ICM policy (Section 3.5.1), this eligibility statement is 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.

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Eligibility Statement

The Independent Complaint Mechanism (ICM) of the International Climate Initiative (IKI)¹ 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 Policy dated 1 February 2022 sets out how the ICM deals with complaints from a person, group of persons, or community. Once a complaint is received, the ICM Policy requires the ICM to determine if the complaint meets the eligibility criteria set out in Section 4.1 of the ICM Policy. 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)).

1 SUMMARY OF ELIGIBILITY DETERMINATION

For reasons stated in this document, the ICM determines that this complaint is eligible for further processing by the ICM under the ICM Policy.

2 COMPLAINT AND PROCEDURAL HISTORY

The ICM received the complaint on 8 June 2023, via IKI staff, and acknowledged receipt of the complaint on 15 June 2023.

The complaint relates to a project in Latin America, which the ICM confirmed is funded by IKI in the range of a million Euros and closed on 30 November 2022. The complaint alleges, among others, that at least 45,000 Euros were misappropriated from the IKI Project funds through disbursements to a (sub)contractor of the Implementing Organization. According to the complaint, these disbursements had not received necessary approval and were made despite the (sub)contractor's delayed performance. The complaint further alleges that the funds paid to the (sub)contractor eventually went to a governing member of the Implementing Organization to settle their personal debts.

The ICM examined information and supporting documentation provided by the complainant(s). The ICM also reviewed correspondence about the allegations that Zukunft – Umwelt – Gesellschaft (ZUG) GmbH² had with the complainant(s) and with the Implementing Organization. The information available at this stage shows that ZUG received concerns from the complainant (s) about this matter in July 2022 and that ZUG has sought explanations from the Implementing Organization over several months without being able to obtain clarifications and documentation on all aspects of the complaint.

The ICM, in keeping with its policy,³ then contacted ZUG and the Implementing Organization, inviting them to comment on the complaint. For this purpose, the ICM provided ZUG and the Implementing Organization with an anonymized summary of the complaint. ZUG and the relevant Ministry welcomed further review of the complaint by the IKI-ICM. The Implementing Organization did not add to the explanations it had already provided to ZUG about the

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

² Zukunft - Umwelt - Gesellschaft (ZUG) gGmbH supports program management, evaluations and technical assistance of IKI projects, as well as the management of IKI media and communication.

³ IKI ICM Policy, Section 4.1.2(c).

complaint. In these previous statements, the Implementing Organization considered the complaint had no merit. Additionally, the Implementing Organization acknowledged there were delays in performance by the (sub)contractor, but asserted that all disbursements to the (sub)contractor were made legitimately under a contract.

3 ELIGIBILITY CRITERIA

The ICM examined the eligibility of the complaint against the eligibility criteria set out in Section 4.1 of the ICM Policy. The eligibility criteria and the ICM’s findings in relation to these criteria are set out in the table below. Taking all the information and evidence available into account at this initial procedural stage, and having carefully considered the comments of ZUG and the Implementing Organization, the ICM concludes that the complaint is eligible for further processing.

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)?	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 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	
If the complaint relates to safeguards: (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? ⁴ (b) Does the complaint include information about (potentially) significant (not) indirect adverse effects or risks to complainants or third parties?	(a) Not applicable (b) Not applicable	The complaint does not relate to safeguards.
If the complaint is regarding economic crime or violations of budgetary or grant law, has the complainant	Yes	The complainant(s) have provided the ICM with information and documentation

⁴ 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.

provided evidence of criminal acts or violations of German budgetary law?		that, if verified, may constitute evidence of criminal acts or violations of German budgetary law.
If the complaint alleges reprisals and threats against the complainants have specific incidents of reprisals or threats been included in the complaint?	Not applicable	

4 ELIGIBILITY DETERMINATION

The eligibility criteria as set out by the ICM Policy are fulfilled. The ICM consequently determines that the complaint is eligible.

The ICM will inform the supervisory body, the complainant(s), ZUG and other parties involved that this complaint is eligible (Section 4.1.2 (e) and (f)). This statement of eligibility will also be published on the ICM website.

The ICM will proceed to a preliminary assessment of the complaint to determine whether a problem-solving or compliance review should be conducted (Section 4.2.1).

Issued by the ICM Independent Expert Panel

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