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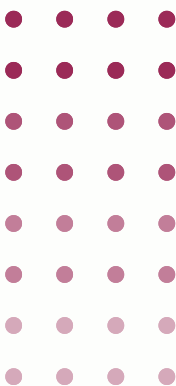
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Independent Evaluation of the Green Climate Fund's Approach to and Protection of Whistleblowers and Witnesses



June 2024

Executive Summary



GREEN CLIMATE FUND
INDEPENDENT EVALUATION UNIT

Independent Evaluation of the Green Climate Fund's Approach to and Protection of Whistleblowers and Witnesses

EXECUTIVE SUMMARY

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EXECUTIVE SUMMARY

INTRODUCTION

The Board of the Green Climate Fund (GCF) approved the 2024 workplan of the Independent Evaluation Unit (IEU) through decision B.37/09. The workplan includes an independent evaluation of the GCF's approach to whistleblowers and witnesses.

The GCF aims to play a key role in channelling new, additional, adequate and predictable financial resources to developing countries. As set out in its Governing Instrument, the GCF must operate in a transparent and accountable manner, guided by efficiency and effectiveness. Whistleblowers and witnesses play key roles in countering Prohibited Practices and other acts of Wrongdoing. By doing so, these individuals help to safeguard the financial, operational and reputational integrity of the GCF.

The objective of this evaluation is to provide findings and recommendations to inform decision-making on the strengthening of the GCF's Policy on the Protection of Whistleblowers and Witnesses (PPWW) and its effective implementation. The evaluation assesses the effectiveness, relevance, coherence and sustainability of the policy, through its operationalization and implementation.

Through conducting and conveying findings from a benchmarking exercise, literature and document reviews, key informant interviews, focus group discussions and online surveys, this independent evaluation also informs wider ongoing initiatives within the GCF to improve policy and practice in relation to whistleblowing and whistleblower protection.

The report contains five chapters. Chapter 1 introduces the evaluation's objectives, scope, methodology and limitations. Chapter 2 introduces the policy and presents context for the policy and guidance on the protection of whistleblowers and witnesses. Chapter 3 offers an overview of international best practice vis-à-vis the policy and operationalization. The policy's operationalization and implementation are analysed in chapter 4, and chapter 5 provides conclusions and recommendations.

KEY FINDINGS

The evaluation report highlights the following key findings, grouped by the relevant evaluation criteria.

RELEVANCE

- 1. The principles of the PPWW align with the GCF's values, strategic objectives and institutional needs, including over the long-term.** The principles align with the *Strategic Plan for the Green Climate Fund 2024–2027*, the strategic direction for the GCF over different time horizons and the Executive Director's 50by30 vision. The presence of the PPWW supports the GCF's operational commitments for 2024–2027, and the PPWW recognizes the role of whistleblower protection within the broader framework of organizational governance and accountability.
- 2. The PPWW encompasses all covered individuals, counterparties and communities. However, there is a lack of clarity in the scope and application of the PPWW to specific country partner counterparties.** The evaluation identified opportunities to delineate the exact obligations and rights of all actors under the PPWW, especially those who receive GCF funding.

- 3. The PPWW meets some of the reporting and protection needs of covered individuals internally, and in counterparties and communities.** Within the GCF, some personnel wrongly believe that they are eligible for PPWW protections when reporting concerns or grievances that are not in fact covered by the PPWW. For example, the distinction between “harassment” that constitutes misconduct (and hence falls under the scope of the PPWW) and behaviours that a person might perceive as “harassment” in the context of a workplace disagreement is not always clear cut.
- 4. The submission of required reports to the Board on the approach and implementation of the PPWW has been limited. Not all reporting requirements have been met, and this evaluation is the first independent review of the PPWW since its implementation.** There are unrealized learning and reporting opportunities for the Board, Board committees and the GCF on experiences and lessons in implementing the PPWW.

INTERNAL COHERENCE

- 5. The PPWW lacks alignment and coherence with other GCF policies related to the protection of whistleblowers and witnesses. There are variations in definitions and terminology between related GCF policies.** The GCF’s suite of policies were designed independently and for different purposes, drawing on various types of organizational and operating models (especially those of United Nations bodies and multilateral development banks). This means whistleblowing and its associated processes and procedures are not fully and consistently embedded in the wider GCF policy landscape. This lack of coherence poses challenges to consistency and coordination across the organization regarding whistleblowing and related policies.
- 6. The PPWW and its implementation arrangements currently lack a clear delineation of roles and responsibilities for some components of the policy between the Independent Integrity Unit (IIU) and Secretariat divisions such as Human Resources.** Nor are these roles and responsibilities clarified in accompanying policy guidance. The Secretariat is undertaking reviews of internal GCF policies and frameworks. GCF personnel reported a lack of clear explanation as to how acts of Wrongdoing differ from other issues, and which individual, office, division or unit – for example, the IIU, Ethics Senior Specialist or Human Resources – should receive reports of harassment, workplace disputes and suspected Wrongdoing. Ongoing revisions to the GCF’s ethics framework and *Administrative Guidelines on Human Resources* could resolve these challenges and ensure alignment.
- 7. The IIU and Independent Redress Mechanism are recognizing and addressing, on an ongoing basis, potential overlaps in their management of PPWW-related reports and cases.** The revised memorandum of understanding from May 2024 between both independent units has further codified and operationalized arrangements for managing reports and cases.

EFFECTIVENESS

- 8. On paper, the PPWW compares well with best practice,** notably in the availability of reporting channels and the requirement for periodic review. However, reporting channels are not described clearly in some documentation, and learning via periodic review has been delayed.
- 9. Many GCF personnel have received a limited amount of training on the PPWW.** It is notable that, despite the relative ease of navigation to the relevant information, awareness of the PPWW among GCF personnel is low.
- 10. In line with best practice, the PPWW offers four different options to report suspected Wrongdoing to the IIU. It also permits reports in any language.** The introduction of a portal and

outsourced hotline for the IIU is an improvement on the arrangements originally set out in the PPWW in 2018. However, contact details are inconsistent between the PPWW itself and other channels, and the de facto mechanisms for handling languages other than English are limited.

11. The evaluation highlighted concerns among GCF staff regarding trust with sensitive information, which may act as a hindrance to effective implementation of the PPWW.

Workshops, surveys and interviews revealed widespread scepticism among GCF staff members that confidentiality would be maintained were they to report suspected Wrongdoing. Respondents stated they were fearful of retaliation when dealing with official channels.

12. The accreditation master agreement template requires accredited entities (AEs) to report all suspected prohibited practices to the IIU. AEs employ a variety of approaches to notifying the GCF, resulting in limited consistency when flagging suspected Prohibited Practices. This may lead to delays or omissions in notifying the GCF.

13. For external reports, and unlike equivalent policies in relevant organizations, the PPWW does not yet offer specific provisions for establishing an external appeals process for reports from external parties. This may present a challenge to effective application of the PPWW.

14. AEs see the PPWW, or their own equivalent policies, as effective in maintaining anonymity and limiting the risk of retaliation. Almost all respondents from AEs feel confident that their organization's whistleblowing policies and procedures protect the identities of whistleblowers and witnesses, and protect whistleblowers from retaliation.

15. While there is a trade-off between updating a whistleblower after a report and the reliability of an investigation, a lack of information and awareness of investigation processes reduces trust in and the effectiveness of PPWW implementation. The PPWW and GCF investigation standards offer limited details on communicating and engaging with whistleblowers. There is an underutilized opportunity to establish explicit provisions or processes to give feedback to reporting persons about the action envisaged or taken as follow-up.

EXTERNAL COHERENCE

16. AEs often find meeting the integrity-related requirements one of the most challenging aspects of accreditation. Once accredited, maintaining alignment for the midterm accreditation review and reaccreditation are considered challenging and costly.

17. AEs view the PPWW as clear and believe their whistleblowing policies and procedures encourage executing entities to report suspected Wrongdoing to them without fear of retaliation. However, awareness and reporting mechanisms are limited at the executing entity (project) level, and there is no evidence that systematic verification of implementation on the ground occurs.

18. AEs that have received support from the IIU in establishing whistleblowing arrangements are more confident these arrangements are robust and consistent with the PPWW. AE respondents identified the need for further support from the IIU to ensure the coherence of their approach with the PPWW – including capacity-building and awareness-raising activities.

19. There are early indications that the cascade of legal obligations to the project level could be particularly challenging for the pilot project-specific assessment approach (PSAA) modality. The process for ensuring PSAA alignment with the PPWW is being carried out only by reviewers from outside the GCF, who may not have the requisite knowledge and experience to manage all associated risks.

SUSTAINABILITY

20. **As the number, value and diversity of GCF-funded projects grows, the GCF's role in ensuring alignment and providing oversight at AE level is likely to increase.** The GCF is planning rapid growth in the number and value of GCF-funded projects, resulting in a greater geographical, cultural and linguistic diversity, where PPWW requirements will need to function. The GCF is not currently assessing the availability of institution-wide resources to scale up required activities.

21. **There is scope for the GCF to consider a range of complementary approaches to embed whistleblowing policies and behaviours.** Experience from some AEs has shown that promoting a culture of positive reporting and a strong “tone from the top” contributes to long-term benefits. Embedding positive reporting as a feature of organizational practice, by encouraging employees to report examples of best practice alongside reports of concerns of suspected Wrongdoing, will enhance sustainability in the long term.

CONCLUSIONS

Based on the findings of the report, the evaluation groups the conclusions into three areas: (i) relevance and coherence of the policy; (ii) operationalization of the policy; and (iii) capacity and awareness to implement the policy.

Policy relevance and coherence

While the PPWW aligns well with the GCF's vision, strategic goals and management direction and, in many respects, is implemented according to best practice, some areas of improvement have been identified. As an institutional policy of the GCF, the PPWW interacts with a wide range of policies and standards, such as the GCF's integrity policies, ethics framework and the *GCF Grievance Architecture – A Handbook for GCF Personnel*, to name a few. The findings from this evaluation highlight opportunities to refine and harmonize these linkages, to address the need for clear definitions and improved communication in order to support a coherent integrity and HR framework. Processes around the protection of whistleblowers and witnesses need to be fully integrated into the broader GCF policy landscape.

Operationalization of the policy

The harmonization and integration of this policy landscape will support the clarity and understanding of – and trust in – the PPWW. Policy tools for operationalization are vital for its effective and efficient use and uptake. Since the adoption of the PPWW, relevant guidance, standards and manuals have been established, addressing, among other things, the process of an investigation. However, such guidance needs to be complete and consistent to ensure trust, confidence and predictability in institution-wide arrangements, both internally and externally. Iterative institutional learning supported through timely and effective reporting to the Board is also critical for successful implementation and use.

Policy awareness and communication

While the evaluation has not been privy to individual cases of suspected Wrongdoing and protection of whistleblowers and witnesses, engagement with internal and external interviewees has confirmed the need for improved awareness. Within the GCF, regular training could provide an enabling environment, ensuring confidence and trust in procedures and decision-making. Externally, the evaluation shows that if capacity-building efforts are provided, entities' confidence in and

alignment with the PPWW is greater. As a learning organization, the GCF's capacity-building and learning from other organizations' approaches go hand in hand, to ensure a sustainable approach for the future.

Addressing the lessons presented by this evaluation may support future efforts to enhance the relevance and coherence of the policy, guidance, standards and manuals, and further strengthen the effective implementation and use of the policy sustainably within and without the GCF in the coming years.

RECOMMENDATIONS

Following the conclusions, the IEU evaluation team has identified five specific areas of recommendations: policy coherence; operationalization of the policy; policy awareness and communication; learning from the operationalization and implementation of the policy; and capacity-building.

Recommendation 1 – The GCF could consider increasing the effectiveness of the implementation of the PPWW by (i) aligning coherence across related GCF policies, and (ii) aligning interpretation via coherent guidance, standards and manuals. In doing so, the GCF should provide incentives for GCF divisions, offices and units to engage with each other to improve the coherence of related policies and the precision and consistency of guidance, standards and manuals. Alongside incentives for engagement across the Fund, the GCF should ensure that all divisions, offices and units share a consistent Fund-wide understanding of the PPWW and related policies, guidance and processes, including channels for reporting.

Recommendation 2 – When updating the PPWW, the GCF should review the issues experienced in implementation of the PPWW, including aspects of the policy, guidance, standards and manuals that could help strengthen the policy's effective operationalization. The GCF should update contact details for reporting suspected Wrongdoing in the PPWW, and ensure consistency across policies, guidance and communication products. The GCF should clearly explain the list of eligible actions that constitute suspected Wrongdoing, and the eligibility requirements for protections under the PPWW. For the operationalization of the PPWW to entities external to the GCF, the GCF should consider integrating an external appeals process for persons who have submitted a report and believe protection was inadequate or when a prima facie case was not established. For future policy updates, the GCF should assess the need for resources across the Fund, to ensure scaling up of required alignment and oversight capacity activities, in line with the growing GCF portfolio.

Recommendation 3 – The GCF should consider strengthening all potential users' awareness of the PPWW, reporting channels and classification. The GCF should continue expanding internal awareness activities, including workshops for GCF staff and consultants, and the use of "open house" sessions and "showcase events". For entities external to the GCF, the GCF should clarify the scope and application of the PPWW to specific counterparties, ensuring that the rights and responsibilities of all potential users are clearly explained. In this context, the GCF should extend the provision of facilitated workshops to enable peer-to-peer learning for AEs, executing entities and other counterparties. Lastly, the GCF should consider developing a process to enable ease of access, uptake and use of the PPWW. During the induction and onboarding of GCF staff and Board members and Board advisers, the GCF should re-emphasize the importance of whistleblowing and the organization's support for the protection of whistleblowers and witnesses. The GCF should

carefully consider the trade-off between increasing communication with whistleblowers and potential threats to the reliability of an investigation.

Recommendation 4 – The GCF should ensure periodic reporting on the implementation of the PPWW to the Board, including reviews of the PPWW. The GCF should leverage learning opportunities to integrate experience and expertise into the GCF's approach to the protection of whistleblowers and witnesses. As alignment with GCF policies is assessed during the institutional accreditation process, the GCF should leverage expertise from GCF stakeholders, in particular the Accreditation Panel, to provide input into this process. Drawing from such lessons, evidence-based tools (such as checklists, reminders and regular feedback) and training packages should be developed for implementing entities, to enhance an effective cascade of alignment to the project level. The GCF should consider alternative approaches to embed whistleblowing policies by promoting a culture of positive reporting. Lastly, outside of institutional accreditation, the GCF should embed real-time learning loops within the PSAA pilot to ensure alignment with the PPWW.

Recommendation 5 – The GCF should increase tailored capacity enhancement for internal and external potential users to strengthen the effective implementation of the PPWW. Internal to the GCF, the GCF should provide mandatory training on the PPWW for GCF personnel. External to the GCF, the GCF should plan and deliver the evidence-based tools and training material based on lessons learned, to support the implementation of the PPWW at the country, AE and project levels. Lastly, the GCF should implement tailored capacity-building activities for direct access entities to support them in establishing and updating whistleblowing arrangements in line with the PPWW.