



# UPDATE STUDY

## Assessing the effectiveness of Voluntary Carbon Market Grievance Mechanisms

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## Photography

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## Abbreviations

<b>A6.4SB</b>	Article 6.4 Supervisory Body
<b>APA</b>	Amerindian Peoples Association
<b>ART</b>	Architecture for REDD+ transactions
<b>ACR</b>	American Carbon Registry
<b>CAR</b>	Climate Action Reserve
<b>CCP</b>	Core Carbon Principles
<b>CDM</b>	Clean Development Mechanism
<b>CDM EB</b>	Clean Development Mechanism Executive Board
<b>CER</b>	Certified Emission Reduction
<b>COP</b>	Conference of the parties
<b>CORSIA</b>	Carbon Offsetting and Reduction Scheme for International Aviation
<b>DGM</b>	Dedicated Grant Mechanism for Indigenous Peoples and Local Communities
<b>DOE</b>	Designated Operational Entity
<b>EIB</b>	European Investment Bank
<b>ERT</b>	Environmental Resource Trust
<b>FPIC</b>	Free prior informed consent
<b>GCF</b>	Green Climate Fund
<b>GS</b>	Gold Standard
<b>ICVCM</b>	Integrity Council for the Voluntary Carbon Market
<b>IPs &amp; LCs</b>	Indigenous Peoples and Local Communities
<b>IRM</b>	Independent Redress Mechanism
<b>NDC</b>	Nationally Determined Contribution
<b>NGO</b>	Non-governmental organisation
<b>REDD+</b>	Reducing Emissions from Deforestation and Forest Degradation
<b>TREES</b>	The REDD+ Environmental Excellence Standard
<b>NTC</b>	The National Toshihos Council
<b>UNFCCC</b>	UN Framework Convention on Climate Change
<b>UNGPs</b>	United Nations Guiding Principles on Business and Human Rights
<b>VCM</b>	Voluntary Carbon Market



## Key findings and recommendations

In 2023, Perspectives Climate Group conducted a study for Carbon Market Watch examining the effectiveness of carbon market grievance mechanisms from private programmes. Several developments have prompted us to revisit our 2023 assessment. Following our initial assessment, the Climate Action Reserve (CAR), Verra and the American Carbon Registry (ACR) updated their grievance processes. Additionally, the Architecture for REDD+ Transactions (ART), -which was not previously analysed in our study, has become highly visible in the Voluntary Carbon Market (VCM). Moreover, the Integrity Council for the Voluntary Carbon Market (ICVCM), increasingly accepted by stakeholders as the key self-regulatory body of the VCM, published criteria for grievance processes as part of its Core Carbon Principles (CCP). Consequently, we present here an updated analysis of the current grievance mechanism processes of CAR, Verra, ACR and ART using an expanded set of criteria and indicators that consider the ICVCM guidance.

We assessed whether a grievance process operated by the VCM programme administrator is accessible, equitable, transparent, predictable, independent and adequate. Furthermore, we investigated whether the process guarantees complainant protection, is rights-compatible and is a source of continuous learning. These criteria remain unchanged from our 2023 assessment as it already encompassed the CCP-related criteria of clarity and transparency of the procedure, impartiality, and confidentiality “where appropriate”. Therefore, there have been no changes to these criteria in our current evaluation.

Our 2024 review found improvements in the CAR, Verra and ACR grievance processes. CAR has now outlined a stepwise process with specific timeframes and has developed a Grievance Submission Form in Spanish and English. Also, CAR’s process now specifies that remedies may involve actions by the Reserve, project developer or another stakeholder. Verra has eliminated its grievance submission fees, provided a more detailed process description, and now, anonymous complaints are accepted. An important transparency development is that Verra, in case of legal disputes, will incorporate the feature of noting the complaint and its outcome on the relevant registry project website. Similarly, ACR has also introduced a detailed grievance process offering a description of the different phases and specified timeframes for each step and broadened the scope of complaint submissions to include any stakeholder. ACR will also guide its process of solving complaints following a set of principles that resonate with the UNGP principles. Some other positive elements of the ACR policy include providing adequate assistance for those who may face barriers to accessing the mechanism and offering the possibility of translating resolutions. Complainants can request confidentiality and ACR states it “will make its best efforts” to honour the request.

The ART complaints process is very similar to that of ACR, which is unsurprising given that both programmes are managed by Winrock International. Like ACR, ART features a detailed grievance process with defined phases, timeframes, and allowable grievance types. However, ART’s process stands out positively by allowing grievance submission through a range of channels, unlike ACR’s limited email submissions. Additionally, ART’s process, like ACR’s, is presented in accessible language, making it comprehensible to non-expert audiences. Both programmes have also implemented a grievance repository. Also, similarly to ACR’s process, complaint-handling individuals and Appeals Committee members in ART are required to declare and disqualify themselves in case of a conflict of interest.

However, despite the progress made, significant shortcomings in the grievance procedures of CAR, Verra, ACR, and ART persist, demanding urgent attention from their respective VCM programme administrators. CAR, for instance, needs to improve the accessibility and visibility of its mechanism as

it continues to remain low. Also, it has not yet implemented a grievance repository. Verra's procedure has put forward a very complex eligibility threshold procedure to identify which complaints can be accepted, which requires, among other aspects, the complaint to be a "good arguable case". Also, some of its provisions could be interpreted as if a local community has a problem with a benefit-sharing distribution before it is addressed by Verra's mechanism it will need to be solved first through a judicial or arbitral system. In this regard, Verra seems to be conditioning the access to its grievance mechanism to the grievances first to be solved under other fora. Furthermore, its process is highly unpredictable as Verra can act at its "sole discretion" in several instances.

Both ACR and ART policies contain conditions that could significantly restrict access to their grievance mechanisms, notably by disallowing grievances older than one year and those addressed in public comments. While exceptions exist, particularly for new evidence or allegations, the latter condition raises concerns. It could be the case that issues raised during public consultations, such as translation problems or failure to obtain Free, Prior, and Informed Consent (FPIC), are not adequately addressed by the project proponent, VVB, or government. With this provision in place, an important avenue for redress could be severely limited for the most vulnerable stakeholders.

Moreover, all the programmes analysed need to significantly improve their independence to provide a fairer and less biased process to the complainants. In this regard, the programmes need to elaborate additional guardrails on how to ensure the independence of the reviewer. ACR and ART appeals committee composition needs to be revisited as it will be formed by having senior ACR, ART and Winrock international representatives and a third member that, although suggested by the complainant, must have the programme's approval. Similarly, CAR's appeals committee cannot consist solely of CAR's representatives as they might be biased towards defending CAR's interests. Furthermore, a common problem across all the carbon market grievance mechanisms analysed is the lack of detail regarding potential remedies.

Finally, across all programs, there's a missing aspect regarding how programme-level grievance mechanisms -the ones we have analysed in this study- should interact with the grievance mechanism that project developers must establish.

As part of this study, we also delved into the first grievance lodged under ART's complaint mechanism by the Amerindian Peoples' Association (APA) in Guyana, a case that was dismissed due to formal reasons without addressing key substantive issues raised by APA. This case study starkly illustrates, among other aspects, the critical need for an effective grievance process from the outset of grievance submission. In this case, the lack of clear and detailed guidance during APA's grievance submission led to the grievance process being developed as it unfolded. Instead of collaboratively developing a grievance process with the complainant, ART pushed for a process solely drafted by them, leading to a process that lacked transparency and predictability.

Furthermore, this case underscores the importance of ensuring the reviewer's independence by clearly having guardrails to guarantee their impartiality. In this case, ART appointed Winrock's former International's General Counsel and Chief Risk and Compliance Officer as the independent reviewer, raising concerns about impartiality. Finally, this case is important because it shows the need to publicise the role of grievance mechanisms further. ART's approach, especially in the appeals process, resembled an arbitration case, which should not be the aim of a grievance mechanism. On the other hand, the complaint overloaded the case with many far-reaching demands, such as land rights issues widely exceeding the mandate of a non-state grievance procedure, adding an additional layer of complexity to the case.

## 1. Background of the assignment

International carbon markets, used for both compliance with national emissions targets and for voluntary purposes, have been a feature of international climate policy for the last 30 years. While their role has been heavily contested, if designed correctly and overseen by applying stringent rules, they can play a role in achieving the long-term goal of the UN Framework Convention on Climate Change (UNFCCC). Carbon market projects need to be developed and implemented following strict environmental and social guidelines. The VCM has been dominated by credits certified by privately operated programmes (often called “standards”), namely Verra, Gold Standard (GS), American Carbon Registry (ACR), and Climate Action Reserve (CAR), as well as by credits from the UNFCCC Clean Development Mechanism (CDM) under the Kyoto Protocol. Some types of credits from these private or regulator-operated programmes can be used under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and in other compliance systems. Currently, several governments are developing cooperative approaches under Article 6.2 of the Paris Agreement which would enable VCM credits to become internationally transferred mitigation outcomes (ITMOs).

Both private and regulatory programmes have introduced a range of measures for the social and environmental negative impacts of carbon projects to be minimised and addressed (Wissner and Schneider 2022). Safeguard requirements have become more detailed and stricter over the years partly as a reaction to the negative impacts certain projects generating carbon credits have had. However, despite the progress made on more stringent safeguards and requirements of enhanced project co-benefits, carbon-crediting projects can still cause harm to local communities and indigenous peoples (e.g., by contributing to the loss of local communities' livelihoods, failing to deliver on promised community benefits or affecting their property right over their territory forcing displacements). Therefore, experts signal that the three core pillars for ensuring human rights protection are participation, social and environmental safeguards and effective grievance procedures that lead to appropriate remedies (Eisen 2021).

It is important to note that despite carbon markets having existed for more than twenty years, grievance mechanisms, particularly at the programme level, have been barely used -despite many existing grievances around carbon projects. Consequently, their specific role, the way they should operate, the type of remedies they should provide, and how they should interact with other access-to-remedy mechanisms, among other operationalisation aspects, are issues in their early exploration stage and require further consideration.

In 2023, Perspectives Climate Group (PCG), on behalf of Carbon Market Watch (CMW) conducted a study to assess the effectiveness of carbon market grievance mechanisms operated by private and regulatory programmes (Dalfiume and Michaelowa 2023). The study comprised three main sections. The first section defined grievance mechanisms as procedures enabling affected individuals to lodge complaints against a company or collaborative initiative, seeking remedy. These mechanisms are not linked to states or other legal jurisdictions and usually require the willingness of all actors involved to constructively engage to reach an outcome. Such grievance mechanisms tend to be diverse in their organisation and possible remedies. The section used the United Nations Guiding Principles of Business and Human Rights (UNGPs) as a starting point to discuss grievance mechanisms. It provided examples of grievances during the CDM era, a period lacking such mechanisms. Common grievances within the VCM were also examined in this first section.

The second section of the study focused on analysing the effectiveness of the grievance mechanisms procedures applied by ACR, CAR, Verra, GS and the Global Carbon Council. In addition, we also look at the grievance mechanism applied under the Green Climate Fund (GCF) - the key international public

climate finance mechanism under the UNFCCC - and the grievance mechanism of the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM) to identify how culturally appropriated measures are incorporated in grievance mechanism. The Architecture for REDD+ Transactions (ART), a private programme currently gaining relevant traction in the VCM with its REDD+ Environmental Excellence Standard (TREES), was not covered in the first study. The effectiveness of the grievance mechanisms was assessed against six criteria adapted from the UNGPs. The study concluded that the GS grievance mechanism was currently the most effective in fulfilling the criteria of accessibility, transparency, predictability, independence, adequacy, and safeguards. While the other programmes had a mechanism in place (except for the Global Carbon Council), their procedures were not robust. For example, at the time of the publication of the first study, Verra and ACR only superficially regulated the process to address a grievance, without providing specific details such as timeframes to address the complaint, nor did they have a grievance repository available. Moreover, Verra charged procedural costs that were only reimbursed if the complaint was decided favourably. This second section also provided a summary of best practices based on the analysis of the different mechanisms. Finally, considering the assessment of the different VCM grievance mechanisms, the third section of the study provided recommendations for the future setup of an A6.4 grievance mechanism.

After the publication of our first study in March 2023, ACR, CAR and Verra updated their procedures, with all three programmes now having more detailed processes and incorporating some of the recommendations made, as will be further described below. Improvements made could also be partially attributed to the severe turmoil on the VCM in 2023 triggered by high-impact criticism of its practices by international media and NGOs. Moreover, the ICVCM - an independent initiative aiming at improving the governance of the VCM - published a set of criteria that grievance mechanisms should fulfil as part of its Core Carbon Principles (CCPs). These criteria that were updated in early 2024 (ICVCM 2024) include clarity and transparency of the procedure, impartiality, and confidentiality “where appropriate”. They also state that “any applicable fees shall not impede legitimate access to the grievance process by civil society, organisations or of Indigenous Peoples and Local Communities (IPs & LCs)”.

Due to these developments, PCG and CMW considered it relevant to publish an updated version of the effectiveness of the VCM grievance mechanisms study. We would like to note that the previous study and this one have only focused on analysing the effectiveness of the grievance mechanisms *processes* operated by programmes (e.g., Verra, GS). Still, other aspects of grievance mechanisms require further analysis such as examining the effectiveness of the outcomes or remedies, the actual effectiveness of the mechanism on the ground, and how legal the process should be. Future research could also address the type of grievances that should be covered, the role of grievance mechanisms operated by project developers<sup>1</sup> and how such mechanisms should interact with grievance procedures from programmes and the Art. 6.4 grievance mechanism. Furthermore, interactions of grievance mechanisms with state-level mechanisms should be looked at considering that the VCM is not yet regulated in many countries. These questions should be addressed in further studies.

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<sup>1</sup> For example, The Gold Standard requires project developers to make available, inter alia, inclusive channels for feedback and grievance redress to IP and their representatives; CCBs from Verra also require project developers to demonstrate a clear grievance redress procedure has been formalised to address disputes with communities. ACR, GCC, and TREES also require grievance mechanisms operated by project developers.



## 1.1. Why are grievance mechanisms needed in the carbon market context?

As mentioned above, projects in international carbon markets have been severely criticised and this criticism has reached new heights in 2023. Even in the case that participatory processes are followed, and safeguards are applied, carbon market projects can generate negative impacts and may fail to deliver the promised co-benefits (e.g., distribution of carbon revenues) (Eisen 2021). In these cases, remedies should be provided to the affected people. While effective state-operated grievance mechanisms (e.g., Ombudsman, labour and employment mechanisms, arbitration and specialised tribunals) or their judicial systems are at the core of ensuring access to remedy, *non-state* grievance mechanisms, which we refer to in this study as “grievance mechanisms”, play an essential role in complementing those state-based mechanisms.

Grievance mechanisms – with effective processes in place - can provide rapid and low-cost remedies to low-level complaints or concerns. These mechanisms can importantly operate as early warning systems to avoid the escalation of concerns into more serious disputes and human rights abuses by becoming a communication channel between the responsible entities and individuals or communities. As such they can contribute to identifying the underlying causes of a problem (Doyle 2015; OHCHR 2014, Thomson 2017). Having adequate grievance mechanisms in place next to effective participatory processes can also lead to significant long-term community engagement and support for projects and contribute to their long-term success (Eisen 2021). A distinctive feature of the grievance mechanisms - which strongly differ from the state-based ones - is that grievance mechanisms focus on reaching solutions through dialogue, with the active participation of the involved parties (Zagelmeyer et al. 2018; Häusler et al. 2017, Thomson 2017). The UNGPs specify that the remedy grievance mechanisms can include apologies, restitution, financial and/or non-financial compensation, the cessation of a project, guarantees of non-repetition, or other forms agreed by the parties (OHCHR 2011, 2014b, Lukas et al. 2016). The perceived effectiveness of a remedy for the victim will significantly differ based on various subjective factors, such as the victim's personal preferences, circumstances, the nature of the harm inflicted, and the cultural context of the locality (Thomson 2017).

In countries with weak institutions, vulnerable groups such as children and youth, women, persons with disabilities, and Indigenous Peoples face a higher risk of their grievances not being adequately addressed by the state. Therefore, in some cases, grievance mechanisms might also bridge the access gap to remedies (Zagelmeyer et al. 2018, OHCHR 2011, Doyle 2015). However, grievance mechanisms are not meant to replace limited or flawed judicial systems. Furthermore, numerous systemic issues should not be addressed solely through grievance mechanisms. For instance, issues stemming from inadequate government regulation, the absence of effective public institutions, or longstanding conflictive relations between communities and the government may require broader approaches. (Thomson 2017). Human rights abuses or violations should be mainly addressed by state-operated mechanisms or international human rights courts. Enhancing the effectiveness of access to remedies is often most effective when affected stakeholders are presented with various avenues for seeking redress. This may include pursuing remedies through judicial mechanisms, state-operated grievance mechanisms, grievance mechanisms, or a combination of all of them (UN 2020). In our previous study, we indicated how the CDM, through its over 20 years of existence<sup>2</sup> has failed to create and implement a grievance mechanism despite the existence of well-documented and publicised

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<sup>2</sup> Agreed in 1997, the Kyoto Protocol included three international market mechanisms, of which the CDM became the most relevant one, with close to 8000 projects registered issuing over 2.3 billion emission credits to date. Still, through its over 20 years of existence, the CDM did not have a grievance mechanism in place. Overall, the CDM regulations did not mention human rights and only included limited provisions regarding stakeholder consultation and contribution of the project to sustainable development, despite some attempts of the CDM Executive Board (CDM EB) to remedy this situation in the 2010's (Oberghassel et al. 2017)

environmental and social problems. Environmental-related concerns have included lack of additionality mainly in large infrastructure projects, inflated baselines, and challenges in ensuring permanence, mainly in afforestation and reforestation projects. Additionally, social problems have ranged from lack of or inefficient stakeholder participation and engagement, to serious human right impacts such as the displacement of communities. The Barro Blanco Dam project in Panama, and the Bujagali hydropower project in Uganda – described in detail in the previous study- exemplify some of the negative impacts CDM projects have had and the consequences of the non-existence of a CDM grievance mechanism, such as contributing to the escalation of conflicts<sup>3</sup>. These case studies also provided insights regarding how grievance mechanisms of development finance institutions helped to buffer some of the impacts generated by the projects.

## 1.2. Grievances in the VCM

The grievance registries of the standards are a helpful resource for understanding the most common types of carbon market-related grievances. However, since these mechanisms have not been widely used, relying on them alone does not provide a complete or accurate picture of the types of grievances filed. This gap can be partially filled through external sources. In the case of REDD+-related concerns, the requirement of having Safeguards Information Systems for countries that engage in national REDD+ programmes<sup>4</sup> allows insights into the negative impacts some of the projects generate. Reports from Ombudsmen, NGOs and journalists also help in identifying grievances associated with VCM projects.

The most common social grievances associated with international carbon market projects include lack of or ineffective stakeholder consultation and/or implementation of free prior informed consent (FPIC) processes (Government of Colombia 2020, Eisen 2021), concerns and dissatisfaction regarding distribution of benefits (Eisen 2021, Healy et al. 2023, CMW 2023), failure of the implementation of safeguards (Mongabay 2022), eviction and poor resettlement planning processes (Eisen 2021), and agreements with communities' leaders that do not fully represent the view of the majority of community members (Mongabay 2022) which ultimately creates divisions and confrontation within groups inside communities (Mongabay 2022). Environment-related concerns include the promotion of monoculture plantations that affect biodiversity, disrupt the water table, pollution from herbicides and pesticides, risk of non-permanence (especially in forestry projects), overestimation of baselines (Eisen 2021, Source Material 2023), REDD+ project baselines not being aligned with National Forest Reference Levels (Mongabay 2022) and risks of leakage.

During 2023, international media and NGOs played a pivotal role in showcasing environmental and social problems associated with several large VCM projects. For example, the Guardian (2023) in January 2023 dissected the Verra REDD+ baseline methodology and found that it massively overestimated baselines. Despite the Guardian's article being refuted by key market players like Verra, Sylvera, and Pachama, it contributed to putting rigorous baselines at the centre of discussion and by the end of the year had triggered a revision and strengthening of Verra's REDD+ baseline methodology. Over-crediting was further stressed by researchers from Berkeley University (Haya et al. 2023). A scathing article in the New Yorker (2023) about the Kariba REDD+ project in Zimbabwe focused on poor benefit-sharing and the absence of transparency regarding project finances. Following this, Healy et al. (2024) highlighted the lack of transparency on benefit-sharing agreements. Development Aid (2023) reported on the concerns of Guyanese Indigenous groups about poor participatory processes

<sup>3</sup> We understand that many other factors might have contributed to the impacts on human rights, and the statement made should not be understood as non-state grievance mechanisms being the silver bullet to solve grievances and/or minimize negative impacts of projects on communities

<sup>4</sup> Although Safeguards Information Systems (SIS) are designed to meet the requirements of UNFCCC-negotiated REDD+ programmes principally, some countries, such as Peru, also aim to use the SIS to collect information regarding REDD+ projects.

regarding benefit-sharing distribution in the context of the ART TREES jurisdictional crediting in Guyana. Cases of physical and sexual abuse in the Kasigau REDD+ Phase I and II projects in Kenya were brought to light by several Kenyan NGOs, as well as international ones. Human Rights Watch (2024) found that Indigenous Chong people living within the area of the Southern Cardamom REDD+ Project in Cambodia had not been properly consulted and criticised the lack of benefit-sharing agreements with the affected communities as well as forced evictions.

## 2. Assessment update of effectiveness of carbon markets grievance mechanisms

### 2.1. Methodology

This section investigates the effectiveness of carbon market grievance mechanisms processes operated by CAR, Verra, ACR and ART (for the assessment of the grievance mechanism operated by Global Carbon Council, GS, and Green Climate Fund, please refer to our previous study (Dalfiume and Michaelowa 2023)). To assess the effectiveness of the grievance mechanisms, we used the criteria put forward by the UNGPs as a starting point given their high degree of international legitimacy. Some of these criteria have been merged. The criteria adequacy, independence, and stakeholder protection during the grievance process were included as per the suggestion of CMW. Specific indicators were developed for each criterion to have a more standardised metric for the effectiveness assessment.

Table 1 below shows the criteria and indicators that have guided our assessment of the different grievance mechanism processes. Annex 1 presents a detailed review of the different standards.

**Table 1 Criteria and indicators**

Criteria	Sub criteria	Indicators
Accessibility	Accessible	Existence and level of procedural costs/fees Submission channels available Focal points publicly available Language options available Ease of accessing the mechanism and related information Cultural appropriateness of the mechanism Means of evidence accepted
	Equitable	Processes in place to raise awareness about the mechanism Support provided to overcome barriers
Transparency	Transparent	Grievance repository/registry available Transparency on staff responsible for addressing the grievances Transparency of process to be undertaken Examples of potential grievances provided Process for rejection of grievances regulated Options to follow-up complaints publicly available Examples of remedies provided <sup>5</sup>

<sup>5</sup> This criterion was only added in this updated version of the report.

Criteria	Sub criteria	Indicators
Predictability	Predictable	Stepwise description on how grievances will be addressed Timeframe for each step specified Notification of outcomes Regular updates to complainants provided Procedures to monitor/follow-up implementation of corrective actions
Independence	Independent/ Impartial	In-house independent team/representative appointed Use of independent external reviewers Appeal process available Regulations in place to avoid conflict of interests Mechanism adequately resourced
Adequacy	Adequate	Outcome of grievance has an impact on project implementation/issuance of credits Monetary compensation available as remedy Issues related to indigenous peoples' territory/protection of their land/customs addressed as remedy Process involves relevant senior authorities Grievances submissions can be done at any time Binding character of remedies
Grievance-mechanism-specific safeguards	Complainant protection guaranteed	Confidentiality Option of anonymous complaints All parties are given a fair say Retaliation safeguards in place
	Rights-compatible	Respects or aligns with state-based mechanisms Interlinkages with other non-state grievance mechanisms regulated
	Source of continuous learning	Improvement of regulation based on past experiences

The effectiveness analysis was conducted by reviewing the grievance mechanism-relevant guidance documentation of each programme administrator and their dedicated website, complemented by a review of academic research and NGO publications. We note that the latter is not plentiful and normally does not look at the level of specific grievance mechanisms. The assessment results were shared with the programme administrators before the publication of the study for comment. Still, the analysis reflects the independent views of the researchers.

## 2.2. Effectiveness assessment of VCM grievance mechanisms

### A. Climate Action Reserve

In our first report released in March 2023, we analysed CAR's "Feedback and Grievance Process" outlined in its Reserve Offset Program Manual. The mechanism was rated as insufficient because, despite having a procedure in place, it lacked details and required significant improvements. In April 2024, CAR updated its Reserve Offset Program Manual, introducing, among other changes, revisions

to its “Feedback and Grievance Process” and creating a Grievance Submission Form. In this section, we reassess CAR’s new grievance procedure in light of the Reserve Offset Program Manual version 9.2 (the Manual).

### **Procedural aspects analysis**

The CAR’s new procedure clearly differentiates between a feedback process and a grievance process, an issue that was not very clear in the previous version. The feedback process is intended for general inquiries and feedback, is informal, and is meant for information-sharing purposes only. Stakeholders can contact the Reserve via email or telephone for this process.

On the other hand, CAR considers the grievance process a formal process (we will focus only on this process from now on). CAR’s new Manual has outlined a more detailed procedure than the previous version, with a clear step-by-step process and specific timeframes, as described further below in the section on transparency and predictability. Any stakeholder is allowed to submit a complaint- as regulated in the previous process. Additionally, the process is now more institutionalised with the creation of a grievance form, although its accessibility and visibility remain low, as discussed in the accessibility section.

Regarding the type of grievances accepted, allowed grievances include those related to programmatic rules, requirements and/or processes; specific protocol requirements; projects; the performance of the verification body and/or others. In this regard, the new procedure has broadened its scope compared to its previous version, which only regulated grievances related to projects.

However, this new version has removed explicit references to grievance topic types present in the previous version: potential over-issuance, ownership of GHG emission reduction, and potential negative environmental and social impacts related to a project. Nevertheless, as the procedure remains quite general, it appears as if grievances related to all these topics are still permitted.

The remedies the mechanism can provide may involve actions to be taken by the Reserve, the project developer and other stakeholders. As will be further analysed below, the Manual regulates certain provisions regarding remedies that contribute to the mechanism’s high ranking in terms of adequacy.

### **Effectiveness assessment**

#### **Accessibility**

In some respects, the accessibility of the mechanism has improved. The most significant improvement is the availability of a Grievance Submission Form. This form needs to contain all the necessary information and supporting documentation regarding the grievance and must be submitted via email to [reserve@climateactionreserve.org](mailto:reserve@climateactionreserve.org). The form is easily readable and simple to fill out, as it provides clear guidance on all required information, and it is available in both English and Spanish. The inclusion of a Spanish option is also an improvement over the previous version, where information on the grievance procedure was only available in English. However, locating the form on the webpage is challenging, as there is no direct access point related to the mechanism. Additionally, the submission channels continue to rely solely on email. In this regard, the accessibility and visibility of CAR’s mechanism continue to remain low.



## Transparency

CAR's grievance process also shows some improvements in transparency. The procedure now includes more detailed instructions regarding the steps to be followed, the associated timeframes, and the types of complaints allowed. An important transparency development is that CAR will now make publicly available the outcomes of the procedure (determination), along with the Grievance Submission Form and supporting documentation. However, this grievance repository is not yet available on its website. Once it is established, CAR should not only upload present and future grievances but also past ones as well.

In the previous version of the policy, staff handling the complaint would vary depending on the type of grievance. For example, ownership of GHG emission reductions would be reviewed by Reserve senior management and a legal counsel, while negative social and environmental impact-related grievances would be addressed by Reserve senior management only. Now the process has been streamlined. A review team unaffiliated with the project will handle the process, including at least one senior management team member. An exception regarding ownership of GHG grievances has been maintained, where legal counsel might be involved. Concerning the appeals process, a team not affiliated with the grievance will be appointed, consisting of a reserve staff member, a member of senior management, and a Reserve Board member. Overall, while there is transparency in how grievances will be handled, it still falls short of the best practices of transparency observed in the [GCF grievance mechanism](#). Finally, as it will be further discussed under the independence criterion, the team composition, particularly for the appeals team, could compromise the impartiality of the mechanism.

## Predictability

The predictability of the mechanism has improved significantly mainly due to the establishment of a process with clear timeframes. The process starts with the submission of the grievance form. Confirmation of grievance receipt will be done within 7 days. If CAR needs additional information or clarification, it will offer the complainant at least 15 days to provide more information. A review team will be set up to review the grievance, conduct a finding of facts and make a determination within 90 days of grievance receipt. Finally, appeals must be made within 30 days of the grievance determination, and the appeals team also has 90 days to make a determination.

## Independence

Provisions for ensuring the independence of the mechanism have been introduced, but they are not sufficient. The Grievance Submission Form requires complainants to disclose any potential or perceived conflict of interest with any grievance party, including the Reserve Board of Directors. On the other hand, the process indicates that no staff involved in the grievance will be appointed to handle it, and Reserve Board Members will be appointed in cases where the senior management team member has a conflict. However, simply stating that a person not related to the complaint will be appointed does not ensure they are the most suitable and unbiased person to address the grievance, as the case study in [section four](#) will show. CAR needs to develop additional guardrails. On a positive note, regulating that external parties could also act as reviewers add more chances to have a more independent process – if the external party is chosen carefully.

The process now regulates an appeals procedure, which is an improvement from the previous version. However, the composition of the appeals committee also requires further attention. Having only CAR representatives decide on an appeal can affect the outcome, as they might be biased towards

defending CAR's interests. We recommend referring to the [GCF grievance mechanism](#) as a good example of ensuring independence.

## Adequacy

As in the previous version, the text reads that grievances can be submitted at any time. Regarding potential remedies, these will be detailed in the determination. Nevertheless, CAR is the only programme that goes beyond solely stating that remedies will depend on the nature of the grievances: CAR's new process indicates that the determination may require actions by the Reserve, project developer or another stakeholder. Additionally, as in the previous version, CAR regulates corrective actions for grievances related to over-issuance. In these cases, CAR will ensure the system is "made whole" by asking the project account holder to surrender credits or authorise the Reserve to withhold credits from future issuances. If the account holder fails to comply within 30 days, the Reserve may cancel credits, withhold issuance, or purchase and cancel third-party credits at the account holder's expense.

One aspect that requires clarification relates to another section of the Offset Program Manual. Section 2.5 "Environmental and Social Safeguards" of the Manual states that if a project causes significant negative environmental and social impacts, the Reserve will not issue credits to the project. It is unclear whether the process under this section is linked to the formal grievance process. If the grievance process confirms such impacts and CAR stops issuing credits due to section 2.5, CAR's mechanism could be considered to have important "teeth". Still, CAR should include a direct link to section 2.5 in the formal feedback procedure section for clarity.

Finally, and importantly, CAR's grievance process states that their actions are binding on all involved parties.

## Grievance-mechanism-specific safeguards

In the previous policy version, CAR referenced domestic regulations, indicating violation of domestic regulation would be handled by relevant government agencies. These references have now been removed, which is a drawback.

On the positive side, a confidentiality provision has been added in the Grievance Submission Form. Complainants can specify any information to be kept confidential and the reasons for doing so.

## B. Verra

In our first report released in March 2023, we analysed Verra's grievance mechanism which was regulated in Verra's Complaints and Appeals Policy. The mechanism was rated as insufficient as although it had a procedure in place, few details were provided, and significant improvements were required. In December 2023, Verra introduced a new "Grievance Redress Policy" approved by its Board of Directors (Verra 2023, Verra 2023b) and in April 2024 Version 1.1. was published. In this section, we reassess Verra's new grievance mechanism in view of the new policy Version 1.1.

## **Procedural aspects analysis**

Verra's new grievance mechanism procedure – the Grievance Redress Policy - outlines the procedures for handling stakeholder complaints and appeals in more detail than the previous version.

According to the policy, the types of complaints allowed are: i) an objection to a decision taken by Verra or an aspect of how it operates its programme(s); ii) a claim that relevant programme rules have had an unfair, inadvertent or unintentional adverse effect; iii) or a dispute or grievance that may arise during project planning and implementation.

It is important to note that for a complaint to be accepted, it must pass an eligibility threshold. This means that the complaint must fulfil certain conditions before the programme administrator accepts it. However, some of these conditions severely affect the accessibility and predictability of the mechanism. For example, one of the conditions refers to the complainant providing sufficient evidence at Verra's sole discretion, which is a highly arbitral decision (refer to the [predictability](#) section for more information). Also, one of the conditions requires the complaint to be a "good arguable case"<sup>6</sup>. This is a legal technicality with a complex meaning that reduces the accessibility of the mechanism. On a separate note, these legal technicalities should be avoided in a grievance redress process where the goal is not to become a judicial system or arbitration-like process but rather a process that strongly focuses on reaching solutions through dialogue.

Complainants can be national authorities, local stakeholders, project proponents, authorised representatives, registry users, or unrelated parties. Verra can still decide at its sole discretion whether someone is entitled to submit a complaint or not. This, again, severely affects the predictability of the mechanism and consequently needs to be changed (refer to the [predictability](#) section for more information).

Furthermore, the policy does not specify the type of remedies that can be provided. According to the policy, Verra, at its sole discretion, will determine the appropriate response to the complainant. In the previous version of the policy, although remedies were not specified it was indicated that the outcome of the complaint could lead to overturn of a decision made by Verra. We recommend Verra to reintroduce a similar provision in its new policy. This will increase the adequacy of the mechanism by providing it with important "teeth", as was the case in the previous policy (refer to the [adequacy](#) section for more information).

## **Effectiveness assessment**

### **Accessibility**

The accessibility of the mechanism procedure has improved considering previous complainants had to cover all internal and external expenses unless the outcome was favourable for them. Contrastingly, no fees for grievance submissions or appeal are charged now.

However, other accessibility aspects still show important shortcomings that require further improvement. The submission channels continue to rely solely on email<sup>7</sup>. The grievance mechanism procedure is only available in English with no indications of the possibility of submitting grievances in

<sup>6</sup> "Good arguable case" is not defined by Verra in its policy.

<sup>7</sup> However, unlike the previous version, which was the general Secretariat email, a dedicated email for complaints has now been created.

<sup>8</sup> According to Verra's representative, Verra has implemented a dedicated Complaints inbox to enhance accessibility and continues to consider other technologies for supporting the complaints process. However, PCG has not found any information about this in any public sources, making it difficult, if not impossible, for a complainant to be aware of this.

other languages. However, according to Verra's representative, Verra does accept complaints in other languages (Verra 2024). Verra's website still does not show any direct access point to the mechanism, therefore the mechanism's visibility continues to be low. Furthermore, no available information beyond what is included in the policy exists (i.e. additional information on the website), which could limit the accessibility of the mechanism as the information is presented in a highly technical and legalistic manner. For example, the use of legal jargon such as "good arguable case" is difficult to grasp by most of individuals<sup>9</sup>. Finally, establishing an eligibility threshold – as described earlier - has the potential to significantly limit the access to the mechanism, especially as certain conditions are subjective and rely on Verra's sole discretion.

## Transparency

Verra's grievance process shows some improvements regarding transparency. A detailed policy has been put forward that outlines the steps to be followed, the timeframes, the types of complaints allowed and Verra's right to reject complaints. An important transparency development is that Verra, in case of legal disputes, will incorporate the feature of noting the complaint and its outcome on the relevant registry project website. A Verra repository has not yet been created, although according to the policy, all final responses may be published on the Verra website. Here, it is important to note that a grievance registry is important as it could support Verra and other uses, for example, to identify common concerns that affect projects. Therefore, it is crucial that Verra makes this registry available as soon as possible and populates it with all relevant information, not only regarding new cases but, if possible, with information regarding past grievances filed

However, for this criterion to be fulfilled further improvements are required. First, it is necessary for the policy to also include examples of the potential grievances allowed, especially as the policy per se is very technical and not easy to digest for a non-expert audience. Furthermore, Verra needs to provide more transparency regarding the staff handling the complaint, as it is only indicated that "Verra staff" will handle it. Likewise, more information needs to be provided regarding the composition of the Appeals Committee as it is only indicated that it will consist of two or more Verra staff who were not engaged in the complaint process, and which may include external advisors engaged at Verra's sole discretion. As indicated [further below](#), this lack of transparency also impacts the independence of the mechanism.

## Predictability

While there has been some improvement in the predictability of the process, notable limitations persist that require Verra to continue working on improving its procedure. On the positive side, the previous grievance procedure was very general. Now, a three-step process has been designed with timeframes for each step. A complaint is expected to be solved within three months. Furthermore, the process for informing complainants about the status of the process is now regulated. The complainant will receive updates from Verra's appointed contact point at each stage of the process. However, a particularly problematic issue of the policy is that several times it has been stated that a provision relies on Verra's sole discretion, posing a risk of arbitrary rejections of complaints, affecting the predictability of the mechanism. For example, Verra retains the sole discretion to determine whether the complainant has standing to lodge a complaint under the policy. Also, Verra, at its sole discretion, will determine if the evidence provided meets its satisfaction criteria. Moreover, Verra holds the right to reject complaints at its sole discretion if it deems that the complaint cannot be addressed through its complaint procedure.

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<sup>9</sup> In this view, the policy would also benefit from better clarification between complaints versus project legal disputes.

Also, there are no indications regarding the potential types of remedies, as those will also be provided at Verra's sole discretion.

## Independence

The independence of the process must be revised as still no sufficient guardrails have been put in place to ensure its independence. According to the new policy, an internal expert to manage the grievance will be appointed. Still, the procedure for selecting Verra's staff members has not been regulated. Moreover, no regulation exists on how to avoid conflict of interest when managing the grievance. In this regard, it is difficult to assess how independence will be maintained throughout the process<sup>10</sup>. The previous version of the policy allowed the participation of external reviewers if Verra considered it necessary. According to this new policy, this option is now only envisioned for the appeals procedure, a limitation we find concerning.

As in its previous procedure, the new policy also includes an appeals process. Consequently, the complainant can appeal if the complaint has not yet been resolved with satisfaction. In the submission, the complainant must provide new information or analysis that was not presented in the initial complaint. An appeals committee will review the appeal. However, it is not indicated how the independence of the committee will be ensured, as it is only indicated that two or more Verra staff who were not engaged in the complaint process will be appointed. Consequently, more guardrails need to be developed to ensure the independence of the committee. Our case study in [section four](#) shows how a lack of guardrails in the policies to ensure the independence of the mechanism can result in bad choices regarding the reviewers appointed to handle the complaint. Furthermore, we recommend referring to the [GCF procedure](#) to better fulfil this criterion<sup>11</sup>.

## Adequacy

As in the previous version, the text reads that grievances can be submitted at any time, which is a good practice. However, other adequacy aspects of the process require further improvement. As indicated before, Verra has not specified what types of remedies the mechanism could provide, as remedies can be specified at Verra's sole discretion. Likewise, it has not been indicated whether the remedy could impact the issuance of credits and the previous option to overturn a prior decision is no longer explicitly included under the new process set by Verra<sup>12</sup>. We recommend these should be clearly listed as possible remedies.

## Grievance-mechanism-specific safeguards

In this new policy version, additional safeguards have been developed, with some contributing to improving this criterion. However, other safeguards introduced can play the opposite role, as they negatively impact the accessibility of the process to a great extent. Regarding the positive development of safeguards, now, anonymous complaints are accepted but with certain limitations. For example, Verra can reject anonymous complaints if they are used to make a "spurious false complaint", although it is not specified how they will determine this. This issue needs to be explained further to avoid

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<sup>10</sup> See footnote 8.

<sup>11</sup> Grievance mechanisms operated by multilateral banks usually do not have a regulated appeals process. The GCF ensures independence, as grievances are managed by a special unit/entity that has operational independence with dedicated staff and no need to report to higher levels of hierarchy.



negatively impacting the predictability of the mechanism<sup>13</sup>. Confidentiality now has a dedicated article that regulates that confidentiality of the information submitted can be provided if the complainant explicitly requests it. However, Verra stipulates cases where the information cannot be kept confidential, such as where information is of public domain and when information needs to be disclosed to Verra advisors, such as lawyers which can be considered a fair caveat.

Also, as an example of good practice, Verra aims for the mechanism to be a source of continuous learning through its new policy. Once the procedure is closed, the complainant can provide feedback about Verra's complaints process to review and improve the experience of the complainants.

Finally, Verra's policy addresses the linkages of its grievance mechanism with other Verra procedures, judicial mechanisms and other state and non-state grievance mechanisms<sup>14</sup>. Overall, having these linkages in place is good if it, among several procedures, harnesses the one that could address the complaint most effectively. However, linkages could also have the opposite effect and significantly limit a potential right to redress for the complainants. For example, Verra's policy indicates that whenever a complainant has a complaint regarding an agreement with a third party (i.e. not Verra), the complaint needs to be solved following the procedure established with the third party and obtain an enforceable court judgement of arbitral award first. Since the term "third party" is not defined in the policy, this provision is open to several interpretations. For example, one interpretation could be that if a local community has a problem with a benefit-sharing distribution before it is addressed by Verra's mechanism it will need to be solved through a judicial or arbitral system. If that interpretation were correct, this procedure is problematic as access to state mechanisms should not preclude access to grievance mechanisms and vice-versa. This is especially important when the goal of a grievance mechanism is to address grievances in a more rapid way. An alternative way to regulate this would be to indicate that the grievance should be addressed first by the grievance procedure at the project level, and if the resolution is not satisfactory then it could be addressed by the Verra one. Another provision in the policy could also have a problematic interpretation. According to the policy, "Verra will not act as an intermediary in relation to commercial disputes between counterparties". If benefit-sharing is interpreted as a commercial dispute and counterparties also refer to IPs & LCs, this provision can also limit their right to redress.

### C. American Carbon Registry

Our first report released in March 2023 also included an analysis of ACR's grievance mechanism, regulated in Chapter 11 of the ACR Standard version 7.0. As is the case with Verra, the mechanism was rated as insufficient: although it had a procedure in place, low levels of detail were provided, and significant improvements were required. In July 2023, ACR updated its Standard from version 7.0 to version 8.0, with several changes to its grievance procedure regulated in Chapter 11 (ACR 2023). This section assesses the new version 8.0.

#### **Procedural aspects analysis**

The new ACR's complaint-handling has indicated guiding principles that resonate with the UNGP principles to guide its process of solving complaints: legitimate, accessible, predictable, transparent,

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<sup>13</sup> Furthermore, it is also indicated that anonymous complaints may restrict Verra's ability to understand or assist with the resolution of the issues.

<sup>14</sup> For example, it is indicated that disputes between registry users and Verra are not covered by this grievance policy but rather by the clause 19.2 of the Verra Terms of Use. Likewise, disputes that arise from a separate agreement that a stakeholder might have with Verra, where an alternative dispute resolution procedure is specified, must follow that alternative procedure. In a further iteration of the policy, it will also be advisable to indicate how the mechanism should interact with project-level grievance mechanisms, for example, grievance mechanisms from project developers.

continuous learning and engagement and dialogue. Moreover, the procedure indicates that ACR is committed to open, transparent and fair resolution of all complaints received. The procedure is more detailed than the previous one and in certain aspects it shows a significant improvement. The mechanism covers grievances related to ACR policies and procedures and substantive complaints regarding the rules, requirements, and content of the standard and operative documents, including approved methodologies. Complaints and appeals related to Validation and Verification Bodies (VVBs) might also be accepted in some cases (refer to the [safeguards section](#) for more information).

The policy does not regulate what types of remedies could be provided. It is indicated that a solution is expected to be provided in 90 days. Interestingly, the policy also outlines the option to resolve the issue informally at any time if the complainant wishes to do so.

A significant improvement from the previous version of the policy is that now, any stakeholder is allowed to submit a complaint, whereas, in the past, only project proponents and ACR stakeholders were entitled to do so.

## **Effectiveness assessment**

### **Accessibility**

While there have been improvements in the accessibility of the procedure, it still includes provisions that can significantly restrict access to the mechanics, especially for the most vulnerable individuals. On the positive side, as part of its guiding principles it is indicated that ACR will provide adequate assistance for those who may face barriers to accessing the mechanism, although it is not further specified how this will be done. Regarding other accessibility aspects, although only available in English, the process has been written avoiding very technical language which facilitates the comprehension of the information. Grievances must be submitted via email only; however, once the grievance has been accepted, the mechanism offers the possibility of official communications via telephone/Skype and WhatsApp. Several options for submitting evidence have been indicated, such as emails or letters, research studies, and letters of support from other stakeholders. Furthermore, the procedure allows for the translation of the investigation plan and resolutions into a language other than English, if necessary (although this will be carried out at the discretion of ACR)

Nevertheless, two conditions indicated in the policy have the potential to severely limit the accessibility of the mechanism. One indicates that allegations older than one year cannot be accepted and the other suggests that grievances that have been addressed as part of public comment submissions can also not be accepted. Exceptions apply if new evidence is provided, or new allegations are made. Still, despite the exceptions, the conditions are problematic, particularly the latter one, as it could be that significant concerns are raised as part of the consultation process (e.g., consultations being merely information-sharing processes, information not translated to local languages or lack of FPIC) and that the project proponent, VVB and/or ACR did not address them properly due to a number of factors (e.g., delays in the validation process). In this context, grievance mechanisms are crucial as they provide individuals with another option for seeking redress. The case study in [section four](#) illustrates a complaint that was filed, in part, because the complainant considered that its public comment submissions were not properly addressed. Consequently, we consider ACR should remove the provision of not accepting grievances that were part of a public comment submission. The eligibility of such grievances should instead be determined on a case-by-case basis.

## Transparency

Transparency is improved in this new version of the grievance process. However, some adjustments could still be made to improve transparency. . The policy is transparent about the process to be undertaken and about the type of grievances that are allowed. Examples of grievances are also outlined. The policy also indicates how the mechanism interacts with other processes and grievance mechanisms, as well as indicates the cases where grievances can be rejected and the communication of the rejection to the complainant. Also, the ACR website now has a grievance repository where complaints made in the past have been uploaded.

An aspect that is missing is transparency regarding potential remedies the mechanism could provide, which also impacts the mechanisms [adequacy](#).

. Concerning the transparency of the staff responsible for handling the complaint, it is indicated that an independent representative who shall not have been involved with the issue that is addressed by the complaint will be appointed. Also, an external party could be appointed, if the complexity of the complaint requires it. However, there is no specific person appointed to the role, which can impact the mechanism's [independence](#). The appeals process is more transparent regarding the committee composition than the previous version: it states it will include a member of the Environment Resource Trust (ERT) or Winrock Board of Directors, a member of the ERT or Winrock Senior Management team, and a member of ERT staff who was not involved with the issue that is the subject of the appeal, all of whom will have equal votes. The committee may also include non-voting technical and/or subject matter expert or experts as necessary. However, it is not specified how the committee will reach an agreement, e.g., either consensus or majority, or if the results of the voting will also be made public<sup>15</sup>. As will be further analysed under the [independence](#) criterion, the appeals committee composition can severely impact the independence of the process, and therefore requires a reconsideration of its composition.

## Predictability

The new grievance process is more predictable than the previous one, but it still has room for improvement. Compared to the previous version, the mechanism offers a description of the different phases for handling the complaint: acknowledgement, investigation and decision, with timeframes specified for each step: 15 days to acknowledge the receipt of the complaint and 90 days to finalise the investigation. Conditions to extend the investigation are also indicated. Follow-up actions and/or corrective measures to the parties involved in the grievance will be included in the final decision; however, there is no indication of how these corrective actions will be monitored. As part of its guiding principles, ACR indicates in the policy that its procedure is predictable because, inter alia, it clarifies the types of outcomes available and provides means of monitoring implementation. However, this is not the case as these aspects are not further elaborated in the policy, as further detailed under the [adequacy](#) criterion.

## Independence

Independence, although partially improved through this new policy, remains insufficient and requires significant further improvement. On the positive side, the ACR complaint process requires that

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<sup>15</sup> We note that none of the carbon market grievance mechanisms assessed in this study and the previous one provides details regarding this point. In fact, the appeals process regulated under Verra, ART and ACR is more detailed than the one of by GS.

individuals involved in the investigation and the Appeals Committee declare any conflict of interest and disqualify themselves accordingly. Likewise, complainants must also declare if they face any conflict of interest. External reviewers could be appointed for both the complaints and appeals process, but only at the sole discretion of ACR.

On the downside, first, ACR's procedure states that complaints should be submitted to [ACR@winrock.org](mailto:ACR@winrock.org), which is the general ACR email address. It is unclear who has access to this email. This lack of clarity poses a risk to the mechanism's independence, as someone involved in the controversy might interfere, potentially compromising its impartiality.

Furthermore, according to the process, an independent representative – who shall not have been involved with the complaint issue – will be appointed. However, no further guardrails have been elaborated on regarding this. As the case study in [section four](#) shows, not having additional guardrails could be problematic as ACR could still appoint someone not involved in the process, but still not independent (e.g. general counsel).

Regarding the appeals process, the ACR grievance procedure regulates eligibility requirements for appeals submissions, provides timeframes (90 days to review the process), and details specifications on how the committee will be formed. However, the composition of the committee does not reflect independence, as it will be formed by having senior ACR and Winrock representatives (e.g., members of the ACR Board of Directors, Winrock Board of Directions or members of the Senior Management team) and a third member, that although suggested by the complainant must have ACR's approval. Hence, the current committee composition cannot ensure independence despite regulating the possibility of non-voting technical experts if necessary. Senior representatives should be informed about the final decision. However, they should not take part in the process. We recommend referring to the [GCF grievance mechanism](#) as a good example of ensuring independence as discussed previously.

## Adequacy

As in Verra's case, the adequacy of the grievance process is not sufficient, as there are no specifications on the type of remedies the mechanism can provide. However, as noted in the [Verra case](#), this is a common problem across all the carbon market grievance mechanisms analysed, as none of them elaborate on the potential remedies or solutions to be provided. We recommend that the mechanism has “teeth” to effectively challenge and potentially reverse previously made decisions.

Furthermore, there are limitations on when grievances can be submitted. Complaints over one year old or those investigated within the previous two years will not be accepted, except if new evidence is provided or new allegations are made, as detailed under the accessibility criterion.

## Grievance-mechanism-specific safeguards

The ACR procedure has introduced safeguards; however, they often lack sufficient detail to be fully effective. For instance, while explicit references to avoiding retaliation are now included (i.e., reprisal against complainants will not be tolerated), detailed safeguards for preventing it are absent. Likewise, although it is mentioned that the mechanism will be a source of continuous learning, using relevant findings to prevent future grievances and harm, no specific details have been provided on how ACR intends to achieve this. On a related positive note, complainants can request confidentiality and ACR states it “will make its best efforts” to honour the request.

The ACR procedure has also provided some indications regarding the mechanism's interlinkages with judicial systems, and other ACR internal procedures. Importantly, the policy indicates that access to the ACR mechanism will not replace the complainant's right to use a judicial system. Then, as mentioned in the procedural aspect analysis, it is indicated when certain grievances submitted to the ACR will be forwarded to be handled by other procedures. In this regard, complaints related to the performance of VVBs (e.g., fraud, conflict of interests, inability to access the VVB grievance mechanism), can be submitted to ACR and will be solved in line with the ACR Validation and Verification Standard procedure. Furthermore, ACR can accept complaints relating to decisions of the VVBs (e.g., VVBs decisions on GHG emissions monitoring, calculation approaches, and safeguards). In these cases, if ACR considers the complaint requires further action, it can either forward it to the VVB for a new audit process or to the accreditation body overseeing the VVB for investigation. For better predictability, it will be important for ACR to develop additional criteria on how ACR will consider a complaint that requires further action.

Related to the previous point, Chapter 8 of ACR Standard requires project developers to have grievance mechanisms in place at the project level. However, neither Chapter 8 nor Chapter 11, which regulates the grievance mechanism at the programme level, indicates how these mechanisms should interact. In a further iteration of the policy, it is advisable to indicate how these different level mechanisms should work together.

#### **D. Architecture for REDD+ Transactions**

The evaluation of the ART grievance mechanism is quite analogous to the ACR one, as a very similar policy governs both. Since Winrock International is involved in both programme administrations, these similarities are not surprising<sup>16</sup>.

##### **Procedural aspects**

ART regulates its complaints and appeals process in Section 16 of its standard, TREES 2.0 (ART 2021). However, in May 2023 it published additional guidance on its process (Guidance on ART's complaints and appeals process) as a reaction to stakeholder comments indicating the process was not sufficiently detailed (ART 2023). The assessment here is based on information included in Section 16 and the additional guidance provided as well as on ART's website.

Similar to the ACR process, the ART complaint-handling process also adopts the UNGP as its guiding principles<sup>17</sup>. Additionally, it follows the same approaches as the ACR process in terms of stakeholder eligibility- any stakeholder is allowed to submit a complaint- and lack of clarity regarding types of remedies. Furthermore, the process defines the types of grievances that can be submitted, including complaints about activities or decisions related to the application of ART TREES, and complaints about other programme rules and requirements, such as the performance of ART-approved VVB.

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<sup>16</sup> We acknowledge that ART and ACR are separate entities, and therefore, we have analysed their grievance mechanisms according to their respective grievance procedures. However, the policies governing both mechanisms are very similar, with only minimal differences. Despite the analysis being duplicated in some sections, we have included a full analysis for both cases as requested by the programmes.

<sup>17</sup> According to ART's additional guidance, these principles form the "underlying rationale to determine complaint eligibility." We consider these principles should not guide complaint eligibility but rather how ART deals with complaints, as regulated under the ACR procedure.



## **Effectiveness assessment**

### **Accessibility**

Overall, the procedure is detailed and includes provisions that promote the accessibility of the mechanism. On the positive side, as part of its guiding principles it is indicated that ART will provide adequate assistance for those who may face barriers to accessing the mechanism, although it is not further specified how this will be done. Regarding other accessibility aspects, although only available in English, the process language avoids very technical language which facilitates the comprehension of the information. Grievances can be submitted by written letter, email or other written communication (text, Whatsapp) to ART at any time (ART n/d(a)) which is broader compared to ACR's process. An online form is also currently under development (ART n/d (b)). Several options for submitting evidence have been indicated, such as emails or letters, research studies, and letters of support from other stakeholders. However, at present, information about the mechanism is only available in English (including the access point to the grievance mechanism on its website). It's essential to offer information in other languages as well.

Nevertheless, like the [ACR process](#), two conditions indicated in the policy have the potential to severely limit the accessibility of the mechanism. One indicates that allegations older than one year cannot be accepted and the other suggests that grievances that have been addressed as part of public comment submissions can also not be accepted. Exceptions apply if new evidence is provided, or new allegations are made. Still, despite the exceptions, the conditions are problematic, particularly the latter one, as it could be that significant concerns are raised as part of the consultation process (e.g., consultations being merely information-sharing processes, information not translated to local languages or lack of FPIC) and that the VVB and government did not address them properly e.g., due to delays in the validation process. In this context, grievance mechanisms are crucial as they provide individuals with another option for seeking redress if a previously used option is not functioning properly. The case study in [section four](#) illustrates a complaint that was filed, in part, because the complainant considered that its public comment submissions were not properly addressed. Consequently, we consider ART should remove the provision of not accepting grievances that were part of a public comment submission. The eligibility of such grievances should instead be determined on a case by case basis

### **Transparency**

The ART process overall has the same transparent provisions as the [ACR](#). Therefore, most of the discussion and conclusions in the [ACR transparent section](#) also apply here: overall the process is transparent; however, some adjustments could still be made to improve consistency with this criterion.

The policy is transparent about the process to be undertaken and about the type of grievances that are allowed. Examples of grievances are also outlined. The policy also indicates how the mechanism interacts with other processes and grievance mechanisms, as well as indicates the cases where grievances can be rejected and how the rejection is communicated to the complainant.

Also, the ART website has a grievance repository under the name "List of complaints and appeals", where many documents regarding a grievance process in Guyana (The APA case study further analysed in [section four](#)) have been uploaded.

An aspect that is missing is transparency regarding potential remedies the mechanism could provide, which also impacts the mechanism's [adequacy](#).

Concerning the transparency of the staff responsible for handling the complaint, it is indicated that an independent representative who shall not have been involved with the issue that is subject to the complaint will be appointed. Also, an external party could be appointed if the complexity of the complaint requires it. However, there is no specific person appointed to the role, which can impact the mechanism's [independence](#). The appeals process is more transparent regarding the committee composition than the previous version: it states it will include a member of the ART Board of Directors, a member of the Winrock Board of Directors or Senior Management Team, and one external expert selected by the appellant and approved by the Secretariat, all of whom will have equal votes. The committee may also include non-voting technical and/or subject matter expert or experts as necessary. However, it is not specified how the committee will reach an agreement, e.g., either consensus or majority, or if the results of the voting will also be made public<sup>18</sup> As will be further analysed under the [independence](#) criterion, the appeals committee composition can severely impact the independence of the process, and therefore requires a reconsideration of its composition.

## Predictability

The ART process has the same predictability provisions as ACR. Therefore, the discussion and conclusions in the ACR predictability section highlighting remaining areas for improvement section apply here as well.

The mechanism offers a description of the different phases for handling the complaint: acknowledgement, investigation and decision, with timeframes specified for each step: 15 days to acknowledge the receipt of the complaint and 90 days to finalise the investigation. Conditions to prolong the investigation are also indicated. Follow-up actions and/or corrective measures to the parties involved in the grievance will be included in the final decision; however, there is no indication of how these corrective actions will be monitored. As part of its guiding principles, ART indicates in the policy that its procedure is predictable because, inter alia, it clarifies the types of outcomes available and provides means of monitoring implementation. However, this is not the case as these aspects are not further elaborated in the policy, as further detailed under the adequacy criterion.

## Independence

The ART process overall has the same independence provisions as the [ACR](#). Therefore, most of the discussion and conclusions in the [ACR independence section](#) also apply here: although some provisions for ensuring the independence of the mechanisms have been included, they remain heavily insufficient and require significant further improvement.

On the positive side, the ART process requires that individuals involved in the investigation and the Appeals Committee declare any conflict of interest and disqualify themselves accordingly. Likewise, complainants must also declare if they face any conflict of interest. External reviewers can be appointed for both the complaints and appeals process, but only at the sole discretion of ART. On the downside, first, ART's procedure states that complaints should be submitted to [REDD@winrock.org](mailto:REDD@winrock.org). According to ART's website, this email reaches the entire ART Secretariat team, ensuring the appropriate person receives it (ART nd). However, this poses a risk to the mechanism's independence, as someone involved in the controversy might interfere, potentially compromising the mechanism's independence.

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<sup>18</sup> We note that none of the carbon market grievance mechanisms assessed in this study and the previous one, provides details regarding this point. In fact, the appeals process regulated under, ART and ACR is more detailed than the GS.

Furthermore, according to the process, an independent representative – who shall not have been involved with the complaint issue – will be appointed. However, no further guardrails have been elaborated on regarding this. As the case study in [section four shows](#), not having additional guardrails could be problematic as ART could still appoint someone not involved in the process, but still not independent (e.g. general counsel).

Regarding the appeals process, the ART grievance procedures regulate eligibility requirements for appeals submissions, provide timeframes (90 days to review the process), and detail specifications on how the committee will be formed. However, the composition of the committee does not reflect independence, as it will be formed by having senior ART and Winrock representatives (e.g., members of the ART Board of Directors, Winrock Board of Directions or members of the Senior Management team) and a third member, that although suggested by the complainant must have ART's approval. Hence, the current committee composition cannot ensure independence despite regulating the possibility of non-voting technical experts if necessary. Senior representatives should be informed about the final decision. However, they should not take part in the process. We recommend referring to the [GCF grievance mechanism](#) as a good example of ensuring independence as discussed previously.

## Adequacy

As in the [ACR case](#), we consider the adequacy of the ART grievance process not to be sufficient, as there are no specifications on the type of remedies the mechanism can provide. However, as also indicated above, this is a common problem across all the carbon market grievance mechanisms analysed, as none of them elaborates on the potential remedies or solutions to be provided. We recommend the mechanism to have “teeth” to effectively challenge and potentially reverse previously made decisions.

Furthermore, there are limitations on when grievances can be submitted. Complaints over one year old or those investigated within the previous two years will not be accepted, except if new evidence is provided or new allegations are made, as detailed under the accessibility criterion.

## Grievance-mechanism-specific safeguards

Overall, the ART grievance mechanism procedure has similar safeguards in place as the ACR and therefore, most of the [safeguards](#) assessment and conclusions apply here: the procedure has introduced safeguards; however, they often lack sufficient detail to be fully effective.

For instance, while explicit references to avoiding retaliation are now included (i.e., reprisal against complainants will not be tolerated), detailed safeguards for preventing it are absent. Likewise, although it is mentioned that the mechanism will be a source of continuous learning, using relevant findings to prevent future grievances and harm, no specific details have been provided on how ART intends to achieve this. On a related positive note, complainants can request confidentiality and ART states it “will make its best efforts” to honour the request.

The ART procedure has also provided some indications regarding the mechanism's interlinkages with judicial systems, and other ART internal procedures. Importantly, the policy indicates that access to the ART mechanism will not replace the complainant's right to use a judicial system. Then, as mentioned in the procedural aspect analysis, it is indicated when certain grievances submitted to the ART will be forwarded to be handled by other procedures. In this regard, complaints related to the performance of VVBs (e.g., fraud, conflict of interests, inability to access the VVB grievance

mechanism), can be submitted to ART and will be solved in line with the TREES Validation and Verification Standard. Furthermore, ART can accept complaints relating to decisions of the VVBs (e.g., VVBs decisions on GHG emissions monitoring, calculation approaches, and safeguards). In these cases, if ART considers the complaint to require further action, it can either forward it to the VVB for a new audit process or to the accreditation body overseeing the VVB for investigation. For better predictability, it will be important for ART to develop additional criteria on how ART will consider a complaint that requires further action.

Finally, regarding the interaction with government grievance mechanisms<sup>19</sup>, according to TREES v.2 and the information available on the website, TREES participants (aka. Governments, jurisdictions) are required to have a grievance mechanism or dispute resolution mechanism. Still, neither TREES v.2 nor the ART grievance policy analysed in this section indicate or regulate the interlinkages between these two different mechanisms (ART level mechanism vs government level mechanism). In a future iteration of the policy, it would be advisable to specify how these mechanisms should interact to provide complainants with clearer information on their potential avenues for redress.

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<sup>19</sup> To meet ART requirements, governments need to have in place grievance mechanisms. For the case of ART, these government grievance mechanisms will be equivalent to what we have been referring in this document to project-level mechanisms.

### 2.3. Assessment summary

The following table presents the main findings regarding the analysis undertaken in the previous section for CAR, Verra, ACR and ART. The Information about GCC<sup>20</sup>, Gold Standard and IRM-GCF is the same as the one included in our previous study- as the grievance mechanisms processes of these standards have remained unaltered since 2023

**Table 2 Assessment summary**

Criteria/ Standard	Level 1: Standards with no grievance mechanism procedure in place	Level 2: Standards with procedures in place, but with insufficient detail provided, requiring significant improvement	Level 2.5: Standards have grievance mechanism procedures with a good level of detail. However, significant improvements are still required.				Level 3: Standards have grievance mechanism procedures with a good level of detail. Minimal improvement required.	
	GCC	-	CAR	Verra	ACR	ART	Gold Standard	IRM-GCF
Accessibility	-	-	-Form now available in English and Spanish for submitting grievances -No direct access point to the mechanism	-No fees charged - Submission of grievances only via email - Information about the mechanism exclusively in English and presented in a highly technical and legalistic manners	- Access point on its webpage -ACR will provide adequate assistance for those who may face barriers to accessing the mechanism-although not specified how - Mechanism offers the possibility of official communications via telephone/Skype and WhatsApp - Investigation plan and resolutions can be translated to other non-English languages	- Access point on its website - ART will provide adequate assistance for those who may face barriers to accessing the mechanism- although not specified how - Grievances can be submitted by written letter, email or other written communication (text, Whatsapp) -- Mechanism offers the possibility of official communications via telephone/Skype and WhatsApp - Investigation plan and resolutions can be translated to other non-English languages	-Dedicated grievance mechanism website and detailed guidance explaining the procedure to be followed -Resolutions of the grievances can be translated to other languages upon request	- Dedicated website that provides easy-to-digest information on the mechanism, visible point access to file a grievance, and access to resources, news, and multimedia for users to increase understanding of the mechanism -Proactive approach to raise awareness about the mechanism (e.g., through meetings, publications) - Communication and translation into the complainants' language upon request

<sup>20</sup> The GCC published a project standard guideline v.4 in November 2023, requiring project developers to have a grievance mechanism in place. However, project-level grievance mechanisms are outside the scope of the study, so this new development has not been reflected in the table.



Criteria/ Standard	Level 1: Standards with no grievance mechanism procedure in place	Level 2: Standards with procedures in place, but with insufficient detail provided, requiring significant improvement	Level 2.5: Standards have grievance mechanism procedures with a good level of detail. However, significant improvements are still required.				Level 3: Standards have grievance mechanism procedures with a good level of detail. Minimal improvement required.	
	GCC	-	CAR	Verra	ACR	ART	Gold Standard	IRM-GCF
Transparency	-	-	-The procedure outlines steps, timeframes and type of grievances allowed -Outcomes will be publicly available, but no grievance repository is available yet -Streamlined process for handling the grievances established	- Policy outlines complaints allowed, the procedure, and cases complaints will be rejected - Complaints and their outcomes will be noted on the registry project website - All final responses may be published on the Verra website - No indication of the types of outcome available. Solutions will be provided at Verra's sole discretion.	- Grievance repository available -Transparency regarding process, type of grievances, rejection of grievances -Transparency regarding the Appeals Committee composition - No indication of the types of outcomes available. The type of remedies depends on the type of grievance.	-Grievance repository available --Transparency regarding the process, type of grievances, rejection of grievances --Transparency regarding the Appeals Committee composition - No indication of the types of outcomes available. The type of remedies depends on the type of grievance.	-Grievance repository available -Detailed description of the process to be undertaken (e.g., development of investigation plan, the timeline for resolution) - Types of remedy depend on the specific type of grievance, but deregistration of projects is included as a potential outcome <sup>21</sup>	-Grievance repository available - Full disclosure of current IRM staff members, and past staff members - No indication of the types of outcomes available. Remedies are to be provided depending on the type of grievance <sup>22</sup> .

<sup>21</sup> This last bullet point has been added in this version. It was not included in the previous report Dalfume and Michaelowa (2023)

<sup>22</sup> See previous footnote

	Level 1: Standards with no grievance mechanism procedure in place	Level 2: Standards with procedures in place, but with insufficient detail provided, requiring significant improvement	Level 2.5: Standards have grievance mechanism procedures with a good level of detail. However, significant improvements are still required.				Level 3: Standards have grievance mechanism procedures with a good level of detail. Minimal improvement required.	
Criteria/ Standard	GCC	-	CAR	Verra	ACR	ART	Gold Standard	IRM-GCF
Predictability	-	-	- Stepwise description and timeframe for each step provided	-Three-step process with time frames for each step specified - Complainants will receive updates from Verra - Rejections of complaints at Verra's sole discretion	-Stepwise description and timeframe for each step provided -Follow-up actions/corrective measures to be included in the final decision	--Stepwise description and timeframe for each step provided - Follow-up actions/corrective measures to be included in the final decision -	- Stepwise description (10 steps) and time frame for each step provided in a very clear and reader-friendly manner - Regular updates to complainants provided	- Stepwise description and timeframe for each step provided in a very clear and reader-friendly manner - Regular updates to complainants provided

Criteria/ Standard	Level 1: Standards with no grievance mechanism procedure in place	Level 2: Standards with procedures in place, but with insufficient detail provided, requiring significant improvement	Level 2.5: Standards have grievance mechanism procedures with a good level of detail. However, significant improvements are still required.				Level 3: Standards have grievance mechanism procedures with a good level of detail. Minimal improvement required.	
	GCC	-	CAR	Verra	ACR	ART	Gold Standard	IRM-GCF
Independence	-	-	<ul style="list-style-type: none"> <li>- Form requires complainants to disclose conflict of interest</li> <li>- No staff involved in the grievance will be appointed- but no specification on how this will be achieved</li> <li>-External parties could act as reviewers</li> <li>-Appeals process regulated</li> </ul>	<ul style="list-style-type: none"> <li>-An internal expert to manage the grievance will be appointed</li> <li>- No regulation in place on how to select Verra's staff members nor how to avoid conflict of interests</li> <li>-Appeals allowed, and the Committee will consist of two or more Verra's staff members not engaged in the Complaint process. External advisors can be engaged at Verra's sole discretion</li> </ul>	<ul style="list-style-type: none"> <li>-An independent representative will be appointed</li> <li>-Requirement to disqualify themselves if individuals identify a conflict of interest</li> <li>-Appeals allowed</li> <li>- The composition of the Appeals Committee involves senior Winrock representatives, which could compromise the independence of the mechanism</li> </ul>	<ul style="list-style-type: none"> <li>--An independent representative will be appointed</li> <li>--Requirement to disqualify themselves if individuals identify a conflict of interest</li> <li>- Appeals allowed</li> <li>- The composition of the Appeals Committee involves senior Winrock and ART representatives, which could compromise the independence of the mechanism</li> </ul>	<ul style="list-style-type: none"> <li>- In-house independent team to be appointed for the management of grievances</li> <li>-Staff involved in the investigation to declare any potential conflict and, when necessary, disqualify themselves accordingly</li> <li>-External experts can be appointed</li> <li>-Right to appeal regulated but no information on the appeal's committee members is provided<sup>23</sup></li> </ul>	<ul style="list-style-type: none"> <li>- IRM is a nominated team, independent from the GCF staff</li> <li>- Complainants have no right to appeal the final compliance report submitted by the IRM to the Board</li> </ul>

<sup>23</sup> See previous footnote

Criteria/ Standard	Level 1: Standards with no grievance mechanism procedure in place	Level 2: Standards with procedures in place, but with insufficient detail provided, requiring significant improvement	Level 2.5: Standards have grievance mechanism procedures with a good level of detail. However, significant improvements are still required.				Level 3: Standards have grievance mechanism procedures with a good level of detail. Minimal improvement required.	
	GCC	-	CAR	Verra	ACR	ART	Gold Standard	IRM-GCF
Adequacy	-	-	<ul style="list-style-type: none"> <li>--Grievances can be submitted at any time</li> <li>-Remedies may require actions by the Reserve, project developer or another stakeholder</li> <li>-Corrective actions for grievances related to over-issuance are regulated</li> <li>-CAR's outcomes binding on all parties</li> </ul>	<ul style="list-style-type: none"> <li>-Grievances can be submitted at any time</li> <li>- Solutions will be provided at Verra's sole discretion</li> </ul>	<ul style="list-style-type: none"> <li>-Some time limitations for the submission of grievances exist</li> <li>- The type of remedy depends on the type of grievance</li> </ul>	<ul style="list-style-type: none"> <li>-Some time limitations for the submission of grievances exist</li> <li>- No specification of the type of solutions the mechanism can provide</li> <li>-The type of remedy depends on the type of grievance</li> </ul>	<ul style="list-style-type: none"> <li>- Submission can be made at any time</li> <li>-Carbon projects affected by potential grievances are flagged on the GS webpage to showcase that an investigation is underway</li> <li>-Relevant senior authorities involved in the process</li> <li>- Deregistration of projects is included as a potential outcome<sup>24</sup></li> </ul>	<ul style="list-style-type: none"> <li>- Submission can be made at any time, although limited to 2 years after date of the problem or 2 years after end of project</li> <li>-Higher authorities are aware of complaints related to GCF projects</li> <li>-Two types of approaches to address complaints regulated: a problem-solving approach (voluntary) and compliance review</li> <li>- No specification of the type of solutions the mechanism can provide<sup>25</sup></li> </ul>

<sup>24</sup> See previous footnote

<sup>25</sup> See previous footnote

	Level 1: Standards with no grievance mechanism procedure in place	Level 2: Standards with procedures in place, but with insufficient detail provided, requiring significant improvement	Level 2.5: Standards have grievance mechanism procedures with a good level of detail. However, significant improvements are still required.				Level 3: Standards have grievance mechanism procedures with a good level of detail. Minimal improvement required.	
Criteria/ Standard	GCC	-	CAR	Verra	ACR	ART	Gold Standard	IRM-GCF
Safeguards	-	-	-Confidentiality provision included in the Grievance Submission Form	-Anonymous complaints allowed with limitations -Confidentiality regulated -Complainants can provide feedback about the process followed for its improvement - Linkages with other Verra procedures, judicial mechanisms and other grievance mechanisms are regulated- although some of them have the potential to limit the accessibility of the mechanism	-Options to submit grievances confidentially -Retaliation safeguards in place --Improvements of the mechanism based on past experiences are regulated - ACR policy regulates the mechanism's interlinkages with judicial systems, and other ACR internal procedures	-Options to submit grievances confidentially -Retaliation safeguards in place --Improvements of the mechanism based on past experiences are regulated - ART policy regulates the mechanism's interlinkages with judicial systems, and other ART internal procedures	-Option to file grievances confidentially - Anonymous complaints are accepted but not encouraged - Reprisals against complainants are prohibited, although it is not specified how this will be enforced -Improvements of the mechanism based on past experiences are regulated	- Confidentiality is provided upon request but anonymous complaints are not allowed - Detailed guidance on operationalising the retaliation safeguards -Guidance on cooperation between the IRM and other grievance mechanisms - Improvements of the mechanism based on past experiences are regulated

### **3. Alignment of the VCM grievance mechanisms with the grievance mechanism requirements of the Core Carbon Principles from the ICVCM**

The Integrity Council for the Voluntary Carbon Market (ICVCM) is a stakeholder-led governance body for the VCM. The primary goal of this initiative is to build trust in the VCM by enabling high-integrity carbon credits. It aims to become a global benchmark for high-integrity carbon credits. To achieve this, the ICVCM has established ten Core Carbon Principles (CCPs) operationalised by the CCPs Assessment Framework that indicates the required criteria to be met by carbon crediting programmes. If carbon crediting programmes meet the CCP requirements they can tag issued credits with the CCP label.

Furthermore, the ICVCM will also oversee the compliance of private programme administrators with these principles through its Assessment Procedure. In this regard, CAR, Verra, ACR, GS, and ART submitted programme assessments to the ICVCM for their evaluation, with all of them being approved as “CCP-Eligible” between April and May 2024. Nevertheless, in this section, we have provided an assessment of how PCG consider these standards to be performing based on the CCPs requirements regarding grievance mechanisms, regulated under criterion 1.2: Public engagement, consultation and grievances. Our assessment from the previous section and our previous study (Dalfiume and Michaelowa 2023) informed the results of this assessment.



**Table 3 Carbon crediting programmes' eligibility for the CCP label: Criterion 1.2 Public engagement, consultation and grievances**

CCP criteria	ACR	CAR	Verra	GS <sup>26</sup>	ART
Clear and transparent process <sup>27</sup>	Overall, the process is transparent as steps to be followed and timelines have been outlined. However, some improvements could still be made (e.g., No indication of the types of outcomes available, no transparency regarding the specific person to be appointed to handle the complaint).	Overall, the process is transparent as steps to be followed and timelines have been outlined. However, some improvements could still be made (e.g., a grievance repository is not yet available, no transparency regarding the specific person to be appointed to handle the complaint)	Although the process has a good level of detail, the process is still very unpredictable, as several times, it has been stated that a provision relies on Verra's sole discretion	Overall, the process is transparent as steps to be followed and timelines have been outlined. However, some adjustments could still be made to improve transparency. (e.g., no transparency regarding the specific person to be appointed to handle the complaint)	Overall, the process is transparent as steps to be followed and timelines have been outlined. However, some adjustments could still be made to improve transparency (e.g., No indication of the types of outcomes available, no transparency regarding the specific person to be appointed to handle the complaint)
Impartiality in the filing and resolution of grievances <sup>28</sup>	Additional guardrails are needed to ensure the independence of the complaint-handling representative.  The composition of the Appeals Committee requires further attention	Additional guardrails are needed to ensure the independence of the complaint-handling representative.  The composition of the Appeals Committee requires further attention	There are no clear procedures to ensure impartiality in resolving grievances. Only regarding the Appeals Committee, it is indicated that it will consist of two or more Staff not engaged in the complaint process. Additionally, there are no procedures in place for avoiding conflicts of interest.	GS may hire an external agency to investigate and manage the grievance. However, more information is needed on who will manage the grievance internally and how the Appeals Committee will be formed.	Additional guardrails are needed to ensure the independence of the complaint-handling representative.  The composition of the Appeals Committee requires further attention.

<sup>26</sup> The analysis from GS taken into account here comes from our previous study Dalfiume and Michaelowa (2023)

<sup>27</sup> The fulfilment of this criterion is based on the analysis of the transparency and predictability criteria from the previous section.

<sup>28</sup> The fulfilment of this criterion is based on the analysis of the independence criterion from the previous section.

CCP criteria	ACR	CAR	Verra	GS <sup>26</sup>	ART
Confidentiality-where appropriate- in the filing and resolution of grievances	Procedures in place to ensure confidentiality. ACR will make its best efforts to honour the request	Confidentiality provision included in the Grievance Submission Form	Procedures in place to ensure confidentiality. However, Verra can reject anonymous complaints if they are used to make a "spurious false complaint", although it is not specified how they will determine this.	Procedures in place to ensure confidentiality. However, GS reserves the right to reject anonymous submissions if they do not include justification for anonymity and substantive evidence to support the allegations.	Procedures in place to ensure confidentiality. ART will make its best efforts to honour the request
Fees shall not impede legitimate access to the grievance process by civil society organisations or of Indigenous Peoples and Local Communities (IPs & LCs)	No fees charged	No fees charged	No fees charged	No fees charged	No fees charged

#### 4. Exploring lessons learned from APA grievance in Guyana within the ART grievance mechanism procedure

On March 8, 2023, the Amerindian Peoples' Association (APA) - a non-governmental Indigenous Peoples association based in Guyana - lodged a complaint letter to the ART grievance mechanism marking the first time this mechanism was activated. It was the first official Jurisdictional REDD+-related grievance submitted to a programme-level grievance mechanism. APA submitted this complaint<sup>29</sup> three months after ART approved Guyana's REDD+ credits for the periods 2016-2020 (December 1, 2022). Before ART's approval, during a comment period of approximately 9 months, APA sent various letters to the Government of Guyana, the ART Secretariat and the ART Board expressing concerns about the inadequate consultation process on Guyana's low carbon development strategy (LCDS) and the ART proposal and the ongoing violations of IPs' rights in Guyana (APA, FPP, RFAUS 2024). ART claimed all comments received were used to inform the validation and verification process (ART 2024)

At the time of submission of the complaint and through the entire complaints process, the procedure was only regulated by Section 16 of TREES Version 2.0. After the complaint review report was issued – i.e., the first phase of the APA's grievance process was over<sup>30</sup> - ART published what they called "Guidance on ART's complaints and appeals process (additional guidance)" in response to stakeholder comments indicating that the process was not sufficiently detailed to understand the steps and timing.

The complaint letter submitted by APA did not have one specific demand but rather raised several issues related to procedures followed, as well as substantive complaints. Regarding the procedural aspects, APA complained that their comments submitted to the VVB-during the public consultation were not considered because they had been submitted outside the comment period. Therefore, APA requested that these comments be considered under the complaints process. On the substantive aspects, they reiterated concerns regarding the consultations made by the government and the lack of legitimacy in the consent provided by "The National Toshias Council (NTC)" on behalf of Guyana's Indigenous Peoples regarding endorsing the LCDS and the ART TREES activity. In addition, they included requests the government of Guyana should implement to comply with TREES standard and demanded that if the government did not address these, the credits issued to Guyana that have not yet been purchased to be frozen and suspended, and no further credits to be issued. The requests were: i) Revision of the Amerindian Act 2006 in line with international human rights standards, ii) Resolving outstanding indigenous land claims, iii) ensuring access to justice for Isseneru and Chinese Landing Villages by implementing the recommendations of human rights treaty bodies, iv) engage indigenous peoples nationally in a consultation process to determine the most appropriate method of benefit-sharing from the sale of carbon credits. Finally, they requested the ART Secretariat and the Board to publish the reasons for their decisions to approve the credits considering these substantive concerns (APA 2023).

The ART Secretariat appointed Charlotte Young, former Winrock International's General Counsel and Chief Risk and Compliance Officer (who left Winrock in May 2023), as the independent representative in charge of further investigating the complaint. The investigation process took approximately two months. As indicated in the Memorandum of Review (ART's complaint review report), the investigation focused mainly on the issue that the APA concerns were raised but not considered during the VVB process (i.e., procedural aspects). The report also addressed some substantive comments. It was also

<sup>29</sup>Note that we use the term 'grievance' as equivalent to 'complaint' and vice versa. The ART grievance mechanism is called the 'complaints and appeals process,' and ART refers to grievances as complaints.

<sup>30</sup> ART's mechanism is composed of two phases. The first one is the "complaints process," and the second one is the "appeals process," which allows the complainant to appeal the outcome of the complaints process if it considers the complaint to remain unresolved, under certain conditions.

indicated that intra-government disputes would not be addressed as these are outside the scope of an independent carbon crediting programme. The reviewer spoke with APA, the Government of Guyana, the ART secretariat and the VVB before issuing her report (Winrock 2023).

The investigation concluded that ART's processes were followed correctly; that two sets of APA's comments before the VVB reporting issued were duly considered, and that comments that came too late in the process will only be considered in the ongoing 2021 validation and verification process. One of the comments that was not considered was the one referring to the lack of authority NTC had to make decisions on behalf of Guyana's Indigenous Peoples and, consequently, the agreement on the benefit-sharing distribution. The Memorandum of Review's conclusions also included procedural actions ART will put forward based on APA's comments: to develop a more detailed complaints process, revise language regarding documents posted on ART's website", revise templates to ensure information is more easily accessible, and update the website to provide improved access to engagement opportunities with stakeholders (Winrock 2023).

APA submitted its appeal letter in reaction to ART's conclusion on June 16, 2023. By the time the appeal was submitted, ART had published its additional operationalisation guidance that also included additional provisions regarding the appeals process. APA's appeal focused on the three following substantive issues: The government of Guyana does not respect the land rights of indigenous peoples, and therefore did not meet the TREES standard; it did not respect FPIC (only consulting NTC which did not represent all Indigenous Peoples) and therefore did not meet TREES; and Guyana failed to demonstrate ownership of emission reductions. Consequently, they asked for ART to freeze credits already issued and refrain from issuing further credits until Guyana demonstrates its compliance with TREES (APA 2023b).

On October 27, 2023, ART issued an order dismissing the appeal without commenting on any of the issues raised in the appeal marking the end of the grievance process (Winrock 2023b). The reason for this was that APA failed to execute the Appeals Terms of Reference (ToRs) put forward by the Appeal's Secretariat-meaning they did not agree to sign the ToRs if ART did not incorporate some of their suggestions. It is important to note that references to these ToRs were not included in any of the general grievance mechanism procedures from ART. Additionally, they were solely drafted by ART and ART indicated they were not meant to be a negotiated document (Winrock 3 2023c). APA repeatedly suggested changes to the ToRs, but they were declined by ART (APA 2023c, APA 2023d). These ToRs drafted by ART provided additional and more detailed rules for the appeals process that were not outlined in any of ART's complaints and appeals processes (nor Section 16 nor additional guidance). In this regard, the ToRs detailed a two-stage appeals process, provided additional information regarding timeframes, and included additional threshold eligibility criteria for the acceptance of the appeals complaint. ToRs were 10 pages long and extremely legalistic.

## 4.1. Lessons learned

This process offers several important lessons that should inform the operation of grievance mechanisms in the VCM in the future.

### Do not change processes ad hoc during an ongoing grievance procedure

Robust and detailed grievance mechanism processes should be in place at the earliest stage possible, as grievances can arise at any stage. In this case, the failure to do this had a particular impact on the predictability of the mechanism. ART, at its sole discretion, expanded and created new procedures after the grievance was submitted. This was particularly problematic during the appeals stage where APA had to first familiarise themselves with the additional guidance published in May 2023 and then with the detailed and extremely legalistic procedures ART put forward in the appeals ToRs. This situation was further exacerbated because ART repeatedly informed APA that the ToRs were not negotiable. If ART did not have the necessary rules in place, and this was their first time dealing with an official grievance procedure, they should have involved all parties in creating the regulations together to ensure a fair and participatory process.

### Independence is crucial for a credible grievance process

This case highlights that despite the grievance mechanism procedure indicating that the grievance procedure will be managed to ensure independence, the actual process can fail to meet this criterion. Section 16 of TREES (the only procedure in place at the time of the grievance submission) merely stated that grievances would be managed independently without specifying how this would be ensured. ART addressed this by appointing Winrock's former International's General Counsel and Chief Risk and Compliance Officer as the independent reviewer. ART argued that she was independent as she was not involved in the ART Secretariat's operations, nor was she involved in the processes surrounding the government of Guyana's interactions with ART and that she reported directly to the Winrock Board of Directors Audit Committee (ART 2023e). All these arguments make no sense given that Charlotte Young had been working for Winrock for a long period until just before the start of the grievance procedure and therefore definitely had a conflict of interest. It seems completely unrealistic to a layperson that such an individual will not try to protect Winrock's interests and, consequently, ART's interests, and thus certainly not run an independent and impartial process. ART's grievance procedure needs to include additional guardrails regarding this issue by, for example, laying out specific criteria the independent reviewer shall comply with. Furthermore, the members appointed to be part of the Appeals Committee and the Appeals Secretariat also reaffirmed what we previously indicated in Section 1, that the composition of the Appeals Committee needs to be modified. The Appeal's Secretariat was comprised of Mary Grady- ART Executive Director- and Christina Magerkurth- ART Managing Director, and the Appeal's Committee by Thomas Green- a member of Winrock Board of Directors, and Roselyn Fosuah Adjei- a member of ART Board of Directors. Although committee members have not been directly involved in the issues that led to the grievance submission, it is very likely that their interests might also be aligned with Winrock and ART's interests. The third member was Rosa Celorio, a professor from George Washington University, who was appointed by APA but needed to get approval from ART to be part of the Committee. Overall, the composition of ART's appeals committee was clearly biased.

### Aligning different expectations of what a grievance mechanism can achieve is challenging

On the one hand, from the different documents submitted by APA, it seems as if APA was expecting an International Court to solve the issue which is not the role of a non-state-based grievance

mechanism. Even the Independent Redress Mechanism (IRM), which we consider to be one of the best grievance mechanisms available, indicates that “the IRM is not intended to be a court of appeals or a legal mechanism” (IRM 2017). Having clarity on the role of a grievance mechanism can also help the complainant to delineate further the complaints submitted to manage its expectations. For example, asking a private VCM programme, to influence, e.g., land titling processes within a country, could be a dangerous request. This issue needs to be addressed by Guyana’s judicial system or through an International Court of Human Rights. Guyana’s Ombudsman could also play a role here. On the other hand, ART dealt with the process- especially the appeals process, as if it was an arbitration case<sup>31</sup> – which is also not the aim of a grievance mechanism. The ToRs for the grievance mechanism resonated with the ToRs that must be signed after the arbitral tribunal is constituted. In addition, the appeal committee composition ART put in place was all but in line with neutrality. Generally, the arbitration like procedure ART set up in an ad hoc manner for the appeal failed to meet all the different principles ART put in its additional guidance, such as having a process that is legitimate, accessible, predictable and promotes engagement and dialogue.

### Define clear roles for grievance procedures at different levels

Programme-level grievance mechanisms need to interact with the grievance mechanisms governments need to put in place to meet ART requirements<sup>32</sup> – the equivalent in this case to what will be a project-level mechanism<sup>33</sup>, and also further elaborate, inter alia, what could be the role of a programme-level mechanism regarding participatory processes and comments not taken into account. ART procedure has already indicated comments from the public comment procedures are outside the scope of its grievance mechanism. This is clearly too rigid and might end up ruling out important concerns.

### Specification of the complaint is critical

APA raised many procedural and substantive complaints and according to the Memorandum of Review Report, ART had difficulty distinguishing between complaints and comments, despite interactions with APA for clarification (Winrock 2023). The reviewer’s strategy was to focus on addressing a procedural issue, i.e. if APA’s comments were considered or not by the VVB. In its appeal’s submission, APA criticised the investigation process for not addressing the substantive demands of the complaint. To avoid situations like this one, informal procedures could be used for the reviewer to interact with the complainant to delineate further or clarify which one is/are the main complaint(s). In this regard, programme administrators should focus more on expanding how to use dialogue and informal procedures to better understand the complaints rather than outlining extremely legalistic procedures like the Threshold Eligibility Determination.

### Do not ditch a grievance process out of purely formal reasons before the key substantive issues are addressed

ART “shot itself in the foot” by ditching the appeal process on a purely formalistic issue: i.e., APA not willing to sign the ToR drafted by ART until its suggestions were accepted. This extremely formalist issue, together with the focus during the review process of investigating whether APA’s comments were taken into account during the VV process, deviated the attention from one of the most important substantive issues raised by APA during the process: whether or not FPIC was properly followed and whether the National Toshias Council (NTC) had authority to decide on behalf of Guyana’s Indigenous

<sup>31</sup> An arbitration system is a formalised process for resolving disputes outside of traditional court proceedings. It involves appointing a neutral third party, or arbitrator, who hears arguments from both sides and renders a binding decision that is enforceable by law.

<sup>32</sup> The government of Guayana, in one of its letters to ART, refers to this issue of APA not having lodged any concerns with the government grievance mechanisms.

<sup>33</sup> As ART is a jurisdictional programme, the state and/or subregions need to have grievance mechanisms in place as per TREES 2.0’ requirements, not a specific project developer.



Peoples regarding ART TREES and the benefit-sharing mechanism. As this is a type of concern that is very likely to arise in other ART TREES projects, ART missed a very good opportunity to provide more clarity regarding this issue or whether to explore, for example, if this was an issue related to a problem in the VV process or the way TREES is designed. A potential remedy ART could have provided to this case is to set up a task force to explore further how the consent of IP should be proved, especially in country-wide projects<sup>34</sup>.

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<sup>34</sup> This was easier to prove for local-level projects because it was easier to identify the specific communities affected, consult with each community, and get their approval for the project. At the national level, this is more complex.

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## Annex A

	ART	ACR	CAR	GS	Verra	GCF
<b>Type of claims/grievances</b>	<p><b>Types:</b></p> <p>Complaints about activities or decisions related to the application of the ART Standard, TREES and other programme rules and requirements including ART-approved VVB</p> <p><b>Does the institution initiate processes at its own initiative?</b> Not specified</p>	<p><b>Types:</b></p> <p>Activities or decisions related to the application of the ACR Standard and other programme rules and requirements, including approved methodologies and the performance of an ACR-approved VVB</p> <p><b>Does the institution initiate processes at its own initiative?</b> Not specified</p>	<p><b>Types:</b></p> <p>-Specific project, -Programmatic or protocol requirements or processes -Verification body performance (grievance submission form)</p> <p><b>Does the institution initiate processes at its own initiative?</b> Not regulated</p>	<p><b>Types:</b></p> <p>Grievances relating to standard setting activities, procedures and Gold Standard itself, SustainCERT, Gold Standard Validation and Verification Bodies or the Oversight Body.</p> <p><b>Does the institution initiate processes at its own initiative?</b> Yes, based on news and outcomes of quality assurance and control processes undertaken by GS.</p>	<p><b>Types:</b></p> <p><b>Does the institution initiate processes at its own initiative?</b> Does not specify.</p>	<p><b>Types:</b></p> <p>i) complaints and grievances from persons adversely impacted by projects or programmes of the GCF (welcomes submissions in different formats/languages/maintaining anonymity/submissions available on a public database) ii) reconsideration request</p> <p><b>Does the institution initiate processes at its own initiative?</b> Yes</p>
<b>Types of remedies</b>	Not specified. Remedies to be provided depend on the type of grievance	Not specified. Remedies to be provided depend on the type of grievance	It is specified that remedies may result in actions to be taken by the Reserve, project developer and other stakeholders. Specific provisions for over-issuance	i) ad-hoc answer to specific type of grievances: ii) Deregistration of projects	Not specified. Remedies to be provided depend on the type of grievance.	Remedies to be provided depend on the type of grievance
<b>Actors entitled to submit claims Grievance process regulation</b>	Any stakeholder	Any stakeholder may submit a complaint to ACR following this procedure Detailed procedure	Any stakeholder	Any stakeholder.	Reads as if any stakeholder	Any stakeholder
<b>Accessibility</b>	<b>Procedural costs:</b> No fee <b>Submission channels:</b> written letter, email or	<b>Procedural costs:</b> No fee <b>Submission channels:</b> Only submissions via e-	<b>Procedural costs:</b> No fee <b>Submission channels:</b> Grievance submission	<b>Procedural costs:</b> No fee <b>Submission channels:</b> Only internet submissions to a given e-mail address or written letter.	<b>Procedural costs:</b> No fee <b>Submission channels:</b> Only submissions via e-	<b>Procedural costs:</b> No fee <b>Submission channels:</b> online complaints form, mail, email, voice or video recording, or by calling a

ART	ACR	CAR	GS	Verra	CGF
<p>other written communication (text, Whatsapp) to ART at any time. An online form is under development</p> <p><b>Specific mention to focal point or general email address:</b> Yes, <a href="mailto:REDD@winrock.org">REDD@winrock.org</a></p> <p><b>Language:</b> Not specified, but the procedure is written in English. Also . translation of investigations plan and resolutions can be requested.</p> <p><b>Easiness to access mechanism and related information:</b> Dedicated guidance for its complaints and appeals process, information in the FAQ section, dedicated access point through its website</p> <p><b>Culturally appropriate mechanism (i.e., specific provisions for addressing Indigenous Peoples' needs: No Means of evidence accepted (e.g., recorded testimonies in original language):</b> correspondence, such as emails or letters, research studies, or letters of support from other stakeholders</p> <p><b>Is the mechanism advertised?</b> No</p> <p><b>Support to communities to overcome barriers (e.g., fees, lawyer needs, translators):</b> ART is fully accessible to</p>	<p>mail are allowed. However, it offers officials communications to be also held via telephone/Skype and Whatsapp</p> <p><b>Specific mention to focal point or general email address:</b> Yes, <a href="mailto:ACR@winrock.org">ACR@winrock.org</a></p> <p><b>Language:</b> Not specified, but the procedure is written in English. Also translation of investigation plan and resolutions can be requested</p> <p><b>Easiness to access mechanism and related information:</b> dedicated access point through its website</p> <p><b>Culturally appropriate mechanism (i.e., specific provisions for addressing Indigenous Peoples' needs: No Means of evidence accepted (e.g., recorded testimonies in original language):</b> Examples of supporting evidence may include correspondence, such as emails or letters, research studies, or letters of support from other stakeholders</p> <p><b>Is the mechanism advertised?</b> No</p> <p><b>Support to communities to overcome barriers (e.g., fees, lawyer</b></p>	<p>form to the Reserve available in English and Spanish</p> <p><b>Specific mention to focal point or general email address:</b> Yes, <a href="mailto:reserve@climateactionserve.org">reserve@climateactionserve.org</a>; Upon the complaint submission, CAR will notify who the main point of contact will be</p> <p><b>Language:</b> English and Spanish</p> <p><b>Easiness to access mechanism and related information:</b> low-visibility. Only regulated in the Manual, no access point-home page</p> <p><b>Culturally appropriate mechanism (i.e., specific provisions for addressing Indigenous Peoples' needs: No Means of evidence accepted (e.g., recorded testimonies in original language):</b> Not specified</p> <p><b>Is the mechanism advertised?</b> No</p> <p><b>Support to communities to overcome barriers (e.g., fees, lawyer</b></p>	<p><b>Specific mention to focal point or general email address:</b> Yes, <a href="mailto:grievance@goldstandard.org">grievance@goldstandard.org</a></p> <p><b>Language:</b> English, translation to other languages of the resolutions can be done upon request.</p> <p><b>Easiness to access mechanism and related information:</b> Yes, dedicated website and grievance approval procedure</p> <p><b>Culturally appropriate mechanism (i.e., specific provisions for addressing Indigenous Peoples' needs: No Means of evidence accepted (e.g., recorded testimonies in original language):</b> Correspondence, such as emails or letters, research studies, or letters of support from other stakeholders.</p> <p><b>Is the mechanism advertised?</b> No, but a google search brings up the relevant guidance and the dedicated webpage</p> <p><b>Support to communities to overcome barriers (e.g., fees, lawyer needs, translators):</b></p>	<p>mail are allowed</p> <p><b>Specific mention to focal point or general email address:</b> Yes, <a href="mailto:Complaints@verra.org">Complaints@verra.org</a></p> <p><b>Language(s):</b> Not specified, but the procedure is written in English</p> <p><b>Easiness to access mechanism and related information:</b> Only a complaints policy. no dedicated website. A quick English google search allows to easily find the policy.</p> <p><b>Culturally appropriate mechanism (i.e., specific provisions for addressing Indigenous Peoples' needs: No Means of evidence accepted (e.g., recorded testimonies in original language):</b> No specific mention.</p> <p><b>Is the mechanism advertised?</b> No</p> <p><b>Processes in place to raise awareness about the mechanisms:</b> No</p>	<p>toll-free hotline</p> <p><b>Specific mention to focal point or general email address:</b> Yes - <a href="mailto:irm@gcfund.org">irm@gcfund.org</a>.</p> <p><b>Language:</b> in any language the complainant uses. IRM will translate into English</p> <p><b>Easiness to access mechanism and related information:</b> Yes - <a href="https://irm.greenclimate.fund/case-register/file-complaint">https://irm.greenclimate.fund/case-register/file-complaint</a>. Yes. Complaints can also be submitted to the grievance redress mechanisms of the Accredited Entities of CGF.</p> <p><b>Culturally appropriate mechanism (i.e., specific provisions for addressing Indigenous Peoples' needs: Yes, IRM can have meetings at the place complainant or the programme is located. All information will be translated into the local language of the complainant.</b></p> <p><b>Means of evidence accepted (e.g., recorded testimonies in original language):</b> documents, media reports, photographs, videos and recordings. But there are no formal requirements for filing a grievance or complaint</p> <p><b>Is the mechanism advertised?</b> The IRM will take a proactive approach to raising awareness and providing information about the IRM in a gender responsive and culturally appropriate manner to its stakeholders, including potentially</p>



	ART	ACR	CAR	GS	Verra	GCF
	all stakeholders and provides adequate assistance for those who may face particular barriers to access	<b>needs, translators):</b> ACR is fully accessible to all stakeholders and provides adequate assistance for those who may face particular barriers to access.	<b>needs, translators):</b> Not specified	Translation service offered for investigation plans and resolutions if requested.	information is available on how Verra aims to raise awareness about the mechanism <b>Support to communities to overcome barriers (e.g., fees, lawyer needs, translators):</b> No mention of additional support. But IPs that want to submit a complaint have less rigorous complaints eligibility requirements to fulfil.	affected people, civil society organisations, NDAs or Focal Points, AEs, GCF staff and others, so that they may have the information they may need about its mandate, objectives and functioning, and so that the IRM can be effective in fulfilling its functions
<b>Transparency</b>	<p><b>Grievance repository available:</b> Yes, under the name "List of complaints and appeals"</p> <p><b>Transparency on staff responsible to address the grievance:</b> For the grievance process it is only indicated that an independent representative will be appointed. Regarding the appeals process, the roles of the member that will form the independent committee are indicated.</p> <p><b>Transparency of process to be undertaken:</b> Yes</p> <p><b>Examples of potential grievances:</b> Yes</p> <p><b>Explanation of rejection of grievances:</b> Yes</p> <p><b>Options to follow-up complaints (e.g., log complaints online):</b> Not specified</p>	<p><b>Grievance repository available:</b> Yes.</p> <p><b>Transparency on staff responsible to address the grievance:</b> For the grievance process it is only indicated that an independent representative will be appointed. Regarding the appeals process, the roles of the member that will form the independent committee are indicated.</p> <p><b>Transparency of process to be undertaken:</b> Yes</p> <p><b>Examples of potential grievances:</b> Yes</p> <p><b>Explanation of rejection of grievances:</b> Yes. If the complaint is found ineligible, an explanation will be provided.</p> <p><b>Options to follow-up complaints (e.g., log complaints online):</b> Not specified</p>	<p><b>Grievance repository available:</b> Not explicitly indicated but the determination will be made in writing and made public along with the Grievance Submission Form and supporting documentation</p> <p><b>Transparency on staff responsible to address the grievance:</b> Contact point to be determined once the grievance is received</p> <p><b>Transparency of process to be undertaken:</b> Yes</p> <p><b>Examples of potential grievances are given:</b> No</p> <p><b>Explanation of rejection of grievances:</b> No</p> <p><b>Options to follow-up complaints (e.g., log complaints online):</b> No</p>	<p><b>Grievance repository available:</b> Final reports are published online; <a href="https://www.goldstandard.org/our-story/grievances-deregistration">https://www.goldstandard.org/our-story/grievances-deregistration</a></p> <p><b>Transparency on staff responsible to address the grievance:</b> Appointment of grievance investigation team from Secretariat and identification of independent third-party reviewer.</p> <p><b>Transparency of process to be undertaken:</b> Development of investigation plan.</p> <p><b>Examples of potential grievances are given:</b> Yes.</p> <p><b>Explanation on rejection of grievances regulated:</b> Yes, If the grievance is found ineligible, GS will provide an explanation and a recommendation on how to address the grievance correctly, if possible</p> <p><b>Options to follow-up complaints (e.g., log complaints online):</b> yes</p>	<p><b>Grievance repository available:</b> No explicitly, but it is indicated that responses to complaints will be uploaded to the webpage</p> <p><b>Transparency on staff responsible to address the grievance:</b> Staff and contact person responsible assigned after complain is lodged.</p> <p><b>Transparency of process to be undertaken:</b> Yes, description of the steps to be undertaken by Verra are provided</p> <p><b>Examples of potential grievances are given:</b> Types of grievances allowed are indicated, but no specific examples are provided.</p> <p><b>Explanation of rejection of grievances regulated:</b> Yes</p> <p><b>Options to follow-up complaints (e.g., log complaints online):</b> Yes,</p>	<p><b>Grievance repository available:</b> Yes - <a href="https://irm.greenclimate.fund/case-register">https://irm.greenclimate.fund/case-register</a> and <a href="https://irm.greenclimate.fund/document/history-irm-pre-cases">https://irm.greenclimate.fund/document/history-irm-pre-cases</a></p> <p><b>Transparency on staff responsible to address the grievance:</b> Yes, IRM</p> <p><b>Transparency of process to be undertaken:</b> Yes, process is described in detail</p> <p><b>Examples of potential grievances are given:</b> Yes, on the website in case repository. Guidelines also provide examples of grievances excluded from the mechanism</p> <p><b>Explanation of rejection of grievances:</b> No clear if a notification of rejection is submitted to the complainant</p> <p><b>Options to follow-up complaints (e.g., log complaints online):</b> Yes. It has a complaints database where the complaints process can be monitored. <a href="https://irm.greenclimate.fund/case-register">https://irm.greenclimate.fund/case-register</a></p>

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					the complainant to receive an update at each stage of the process.	
<b>Predictability</b>	<p><b>Stepwise description of how grievance will be addressed:</b> Yes  <b>Timeframe for each step specified:</b> Yes  <b>Regular updates to complainants:</b> Not specified  <b>Notification of outcomes:</b> Yes, communication will be done via email, including reasons for the decision and potential follow-up actions.  <b>Procedures to monitor/follow up implementation of corrective actions:</b> Follow-up actions or corrective measures will be communicated to the complainant. However no monitoring procedure in place.</p>	<p><b>Stepwise description of how grievance will be addressed:</b> Yes  <b>Timeframe for each step specified:</b> Yes  <b>Regular updates to complainants:</b> Not specified  <b>Notification of outcomes:</b> Yes, communication will be done via email, including reasons for the decision and potential follow-up actions.  <b>Procedures to monitor/follow up implementation of corrective actions:</b> Follow-up actions or corrective measures will be communicated to the complainant. However no monitoring procedure in place.</p>	<p><b>Stepwise description of how grievance will be addressed:</b> Yes  <b>Timeframe for each step specified:</b> Yes  <b>Regular updates to complainants:</b> Not specified  <b>Notification of outcomes:</b> Yes, in writing and made public  <b>Procedures to monitor/follow up implementation of corrective actions:</b> Not specified</p>	<p><b>Stepwise description of how grievance will be addressed:</b> Yes (10 steps).  <b>Timeframe for each step specified:</b> Yes.  <b>Notification of outcomes:</b> Yes.  <b>Regular updates to complainants:</b> Yes.  <b>Procedures to monitor/follow up implementation of corrective actions:</b> Yes</p>	<p><b>Stepwise description of how grievance will be addressed:</b> Yes, stepwise description provided  <b>Timeframe for each step specified:</b> Yes  <b>Notification of outcomes:</b> Written response to the complainant and outcomes will be included in website of Verra Registry  <b>Regular updates to complainants:</b> Yes  <b>Procedures to monitor/follow up implementation of corrective actions:</b> Not regulated</p>	<p><b>Stepwise description of how grievance will be addressed:</b> Yes, within 5 days written communication to acknowledge receipt of complaint; registered on IRM register; eligibility determination (30 days) etc.  <b>Timeframe for each step specified:</b> Yes  <b>Regular updates to complainants:</b> Yes.  <b>Notification of outcomes:</b> Yes  <b>Procedures to monitor/follow up implementation of corrective actions:</b> Yes</p>
<b>Independence</b>	<p><b>In-house independent team/representative appointed:</b> Yes, an independent representative to investigate will be appointed  <b>Independent external reviewer:</b> Yes, at discretion of ART  <b>Appeal process regulated:</b> Yes, but the composition of the committee requires further attention.  <b>Does the mechanism</b></p>	<p><b>In-house independent team/representative appointed:</b> Yes, an independent representative to investigate will be appointed  <b>Independent external reviewer:</b> Yes, at discretion of ACR  <b>Appeal process regulated:</b> Yes, but the composition of the committee requires further attention.  <b>Does the mechanism</b></p>	<p><b>In-house independent team/representative appointed:</b> Review team unaffiliated with the project or issue to review the grievance, conduct a finding of facts as needed, and make a determination  <b>Independent external reviewer:</b> Yes, but under circumstances where Reserve staff have conflicted out of the process.  <b>Appeal process</b></p>	<p><b>In-house independent team/representative appointed:</b> Yes  <b>Independent external reviewer:</b> Yes  <b>Appeal process regulated:</b> Yes  <b>Does the mechanism has processes in place to avoid conflict of interest?</b> Yes, parties need to declare potential conflict of interests.  <b>Is the mechanism adequately resourced (funds to cover salaries, do necessary translations, etc.):</b> Does not state.</p>	<p><b>In-house independent team/representative appointed:</b> An appropriate person to handle the complaint is appointed, but no references to its level of independence or how it will be maintained  <b>Independent external reviewer:</b> No, only in the appeals process, at Verra's sole discretion.  <b>Appeal process regulated:</b> Yes,  <b>Does the mechanism</b></p>	<p><b>In-house independent team/representative appointed:</b> Yes, IRM as nominated team, working in conjunction with/having access to GCF staff, consultants and records.  <b>Independent external reviewer:</b> Not specified.  <b>Appeal process regulated:</b> Complainant has no right to appeal the final compliance report  <b>Does the mechanism has processes in place to avoid conflict of interest?</b> The Head of the IRM shall ensure a separation through appropriate allocation of</p>

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	<p><b>have processes in place to avoid conflict of interest?</b> Yes, guideline refer to this.</p> <p><b>Is the mechanism adequately resourced (funds to cover salaries, do necessary translations, etc.):</b> Not specified</p>	<p><b>have processes in place to avoid conflict of interest?</b> Yes, the policy refers to this.</p> <p><b>Is the mechanism adequately resourced (funds to cover salaries, do necessary translations, etc.):</b> Not specified</p>	<p><b>regulated:</b> Yes</p> <p><b>Does the mechanism have processes in place to avoid conflict of interest?</b> Yes, the review team is not affiliated with the complaint, if senior management has a conflict a reserved board member will be part of the review, no staff in any way involved in the complaint will be appointed. Also, the form requires marking if a conflict of interest exists.</p> <p><b>Is the mechanism adequately resourced (funds to cover salaries, do necessary translations, etc.):</b> Not specified</p>		<p><b>have processes in place to avoid conflict of interest?</b> Not regulated.</p> <p><b>Is the mechanism adequately resourced (funds to cover salaries, do necessary translations, etc.):</b> Not specified.</p>	<p>duties and/or other arrangements between the staff and/or consultants involved in problem solving and those involved in compliance review under these PGs</p> <p><b>Does decision adopted are binding or are only recommendations?</b> Recommendations / propose steps to bring project/programme into compliance.</p> <p><b>Is the mechanism adequately resourced (funds to cover salaries, do necessary translations, etc.):</b> It reads as so, as it indicates it has dedicated staff and also might provide reimbursements as needed.</p>
<b>Adequacy</b>	<p><b>Does the outcome have an impact on credit issuance/ implementation of project?</b> Not specified</p> <p><b>Does the decision can imply a monetary compensation to complainants?</b> Not specified</p> <p><b>Does the decision can address issues related to indigenous peoples' territory/protection of their land/custom?</b> Not specified</p> <p><b>Are relevant authorities involve in the process?</b> Yes, in the appeals process</p> <p><b>Time-adequacy of submissions (i.e., does</b></p>	<p><b>Does the outcome have an impact on credit issuance/ implementation of project?</b> Not specified</p> <p><b>Does the decision can imply a monetary compensation to complainants?</b> Not specified</p> <p><b>Does the decision can address issues related to indigenous peoples' territory/protection of their land/custom?</b> Not specified</p> <p><b>Are relevant authorities involve in the process?</b> Yes, in the appeals process.</p> <p><b>Time-adequacy of submissions (i.e., does</b></p>	<p><b>Does the outcome have an impact on credit issuance/, implementation of project?</b> Cases regarding over-issuance or potential over-issuance are regulated</p> <p><b>Does the decision can imply a monetary compensation to complainants?</b> Not specified</p> <p><b>Does the decision can address issues related to indigenous peoples' territory/protection of their land/custom?</b> Not specified</p> <p><b>Are relevant authorities involved in the process?</b> Senior management or Reserve</p>	<p><b>Does the outcome have an impact on credit issuance/, implementation of project:</b> Carbon projects affected by potential grievances are flagged in GS webpage to show an investigation is underway.</p> <p><b>Does the decision can imply a monetary compensation to complainants?</b> Does not state.</p> <p><b>Does the decision can address issues related to indigenous peoples' territory/protection of their land/custom?</b> Does not state.</p> <p><b>Are relevant authorities involved in the process?</b> Yes, Board is notified.</p> <p><b>Time-adequacy of submissions (i.e., does grievances can be submitted before, during, and after project approval?)</b> At any time</p> <p><b>Reference to protection of</b></p>	<p><b>Does the outcome have an impact on credit issuance/, implementation of project:</b> Not regulated</p> <p><b>Does the decision can imply a monetary compensation to complainants?</b> Not regulated</p> <p><b>Does the decision can address issues related to indigenous peoples' territory/protection of their land/custom?</b> Not regulated</p> <p><b>Are relevant authorities involved in the process?</b> Not specified.</p> <p><b>Time-adequacy of submissions (i.e., does grievances can be submitted before,</b></p>	<p><b>Does the outcome have an impact on credit issuance/, implementation of project?</b> No mention. Outcome of problem solving is published in a report on the website.</p> <p><b>Does the decision can imply a monetary compensation to complainants?</b> No mention.</p> <p><b>Does the decision can address issues related to indigenous peoples' territory/protection of their land/custom?</b> No specific mention.</p> <p><b>Are relevant authorities involved in the process?</b> Yes, GCF Secretariat and Board.</p> <p><b>Time-adequacy of submissions (i.e., does grievances can be submitted before, during, and after project approval?)</b> Complaints will not be regarded if submitted to the IRM on or after</p>

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	<p><b>grievances can be submitted before, during, and after project approval?)</b> Certain limitations exist. Complaints older than one year or that has been investigated and resolved in the previous two years will not be accepted.</p> <p><b>Are decisions adopted binding or only recommendations?</b> Appeal decision is binding.</p>	<p><b>grievances can be submitted before, during, and after project approval?)</b> Certain limitations exist. Complaints older than one year or that has been investigated and resolved in the previous two years will not be accepted.</p> <p><b>Are decisions adopted binding or only recommendations?</b> Appeal decision is binding.</p>	<p>Board members will be part of the process</p> <p><b>Time-adequacy of submissions (i.e., does grievances can be submitted before, during, and after project approval?)</b> Not specified but reads as if they can be submitted any time.</p> <p><b>Are decisions adopted binding or only recommendations?</b> Final and binding on any involved party</p>	<p><b>indigenous peoples territory/protection of their land/customs: No</b></p> <p><b>Are decisions adopted binding or only recommendations?</b> GS communicate decision, including follow up actions and/or corrective measures. Does not specify.</p>	<p><b>during, and after project approval?)</b> Not regulated, but seems they can be submitted at any time.</p> <p><b>Reference to protection of indigenous people's territory/protection of their land/customs.</b> Not regulated</p> <p><b>Are decisions adopted binding or only recommendations?</b> Appeal is final, binding and incapable of further appeal</p>	<p>whichever is the later of the following two dates: (a) within two (2) years from the date the complainant became aware of the adverse impacts referred to in paragraph 20 above or (b) within two (2) years from the closure of the GCF funded project or programme.</p> <p><b>Are decisions adopted binding or only recommendations?</b> The remediation plan shall be implemented</p>
<b>Safeguards</b>	<p><b>Confidentiality:</b> Yes, dedicated provision.</p> <p><b>Anonymous complaints:</b> Yes, regulated under confidentiality</p> <p><b>All parties are given a fair say:</b> Not specified</p> <p><b>Retaliation safeguards in place:</b> Yes, it is regulated</p>	<p><b>Confidentiality:</b> Yes, dedicated provision.</p> <p><b>Anonymous complaints:</b> Yes, regulated under confidentiality</p> <p><b>All parties are given a fair say:</b> Not specified</p> <p><b>Retaliation safeguards in place:</b> Yes, it is regulated.</p>	<p><b>Confidentiality:</b> Yes, regulated in the grievance form</p> <p><b>Anonymous complaints:</b> Not regulated</p> <p><b>All parties are given a fair say:</b> Not regulated</p> <p><b>Retaliation safeguards in place:</b> No</p>	<p><b>Confidentiality:</b> Signing of non-disclosure agreements are encouraged.</p> <p><b>Anonymous complaints:</b> Accepted but not encouraged</p> <p><b>All parties are given a fair say:</b> Yes.</p> <p><b>Retaliation safeguards in place:</b> Yes, reprisals against complainants or appellants are prohibited and will not be tolerated</p>	<p><b>Confidentiality:</b> Yes, dedicated provision.</p> <p><b>Anonymous complaints:</b> Yes, but they could be rejected if used to make a spurious complaint</p> <p><b>All parties are given a fair say:</b> Yes, it is regulated</p> <p><b>Retaliation safeguards in place:</b> Not regulated</p>	<p><b>Confidentiality:</b> Yes, upon request</p> <p><b>Anonymous complaints: No</b></p> <p><b>All parties are given a fair say:</b> Yes. Other stakeholders (i.e. GCF, NDA or Focal Point, AE and Executing Entity) are involved to better understand the issues and the context, as appropriate.</p> <p><b>Retaliation safeguards in place:</b> Yes</p>
	<p><b>Respects or aligns with national procedures of the country:</b> ART's Complaints Procedure is not intended to substitute, circumvent, or override the legal rights of any party to use judicial mechanisms. Also r</p> <p><b>References to other international or national grievance mechanisms/processes?</b> Yes, eferences to cases where other</p>	<p><b>Respects or aligns with national procedures of the country:</b> ACR's Complaints Procedure is not intended to substitute, circumvent, or override the legal rights of any party to use judicial mechanisms.</p> <p><b>References to other international or national grievance mechanisms/processes?</b> Yes, eferences to</p>	<p><b>Respects or aligns with national procedures of the country:</b> Not specified</p> <p><b>References to other international or national grievance mechanisms/processes:</b> Not specified</p>	<p><b>Respects or aligns with national procedures of the country:</b> Yes, A grievance that relates to the laws, policies, and regulations of the host country is not deem eligible</p> <p><b>References to other international or national grievance mechanisms/processes?</b> Yes, SustainCERT.</p>	<p><b>Respects or aligns with national procedures of the country:</b> Yes regulated.</p> <p><b>References to other international or national grievance mechanisms/processes?</b> Yes, regulated.</p>	<p><b>Respects or aligns with national procedures of the country:</b> Not clear</p> <p><b>References to other international or national grievance mechanisms/processes?</b> Yes, grievance mechanisms of GCF accredited agencies</p>

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mechanisms should be the responsible for addressing the complaints.	cases where other mechanisms should be the responsible for addressing the complaints.				
<b>Evidence of improvement based on past experiences:</b> Yes, mechanism aims to identify lessons for improving mechanism	<b>Evidence of improvement based on past experiences:</b> Yes, mechanism aims to identify lessons for improving mechanism	<b>Evidence of improvement based on past experiences:</b> Not regulated	<b>Evidence of improvement based on past experiences:</b> Yes, some reports (e.g., plantation in Uganda), make references for improvement based on lessons learned. Also explained in the procedure sheet.	<b>Evidence of improvement based on past experiences:</b> Yes, after the grievance process is completed, Verra gives the opportunity to complainants to provide feedback to the process	<b>Evidence of improvement based on past experiences:</b> The IRM will report to the Board, through the Board Committee, on lessons learned and insights gained from handling cases and from good international practices and may recommend reconsideration of relevant GCF operational policies and procedures, guidelines and system. There is reference to the need for improvement based on their idea of 'problem solving' and coming up with solutions to the issues.



A photograph showing two hands holding a white rectangular card. The hand on the left is wearing a pink and white patterned shawl. The hand on the right is wearing a blue long-sleeved shirt. The background is a blurred greenhouse structure with a metal frame and a translucent covering. The overall image has a light blue tint.

## CONTACT

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