



Article 6.4 Appeal and Grievance Procedure: Lessons from the Green Climate Fund's Independent Redress Mechanism

The carbon market mechanism under Article 6.4 of the Paris Agreement has been inching closer to operationalisation, while essential elements of its design have yet to be decided on. One of the most important aspects to address for any carbon market mechanism is how it safeguards human rights - in Article 6.4, this is detailed in, among other elements, the Appeal and Grievance processes (AGP). [This draft document](#) for these processes is planned for adoption at the next meeting of the Article 6.4 Supervisory Body at the end of April, SB011.

Unfortunately, the current draft AGP is lacking in several fundamental areas of a robust grievance mechanism. The Independent Redress Mechanism (IRM) of the UN Green Climate Fund is an example of a robust grievance mechanism, as described in a [report](#) issued last year commissioned by Carbon Market Watch.

To illustrate the differences between the IRM and Article 6.4's AGP, the below table gives an overview of the different provisions offered to address grievances by either, in light of the UN Human Rights Council's "Guiding Principles on Business and Human Rights" (UNGPs) seven effectiveness criteria for grievance mechanisms: legitimacy, accessibility, predictability, equitability, transparency, rights compatibility, and being a source of continuous learning. Plus and minus signs indicate whether elements are positive or negative in relation to the criteria.

From this overview, the contrast with the IRM becomes clear: the Article 6.4 AGP performs significantly less well on all seven effectiveness criteria. These range from minor shortcomings to major barriers to an effective grievance mechanism. The Article 6.4 Supervisory Body must therefore urgently rethink its approach to this crucial component of the 6.4 mechanism, if it is to have any exemplary role in international carbon markets.

Criteria ¹	IRM ²	6.4AGP ³
<p>Legitimacy</p> <ul style="list-style-type: none"> • <i>enables trust from stakeholder groups for whose use they are intended</i> • <i>is accountable for the fair conduct of grievance processes</i> 	<ul style="list-style-type: none"> + There is a possibility to involve external legal consultations. + An independent review of the IRM will be undertaken every five years. 	<ul style="list-style-type: none"> – There is no possibility for external legal consultation. – There is no independent review of the mechanism foreseen. – The Supervisory Body can, at its discretion, decide not to undertake actions based on recommendations from the grievance panel.
<p>Accessibility</p> <ul style="list-style-type: none"> • <i>is known to all stakeholder groups for whose use they are intended</i> • <i>provides adequate assistance for those who may face particular barriers to access</i> 	<ul style="list-style-type: none"> + The mechanism is entirely free for grievants. + There are no formal requirements for a grievance: it can be filed through email, mail, toll-free hotline, voice or video call, message etc. + Submissions are allowed in all languages, and all documents and communication translated into local language. + There is a dedicated website with understandable information and a clearly visible access point on the homepage to file a complaint, including a brochure in 14 languages + There is a policy in place to actively seek out engagement with rights-holders. 	<ul style="list-style-type: none"> – Filing a grievance may not be free (fee of USD 5000 or 2500 per grievance, possibly with exceptions for some groups) – Grievances can only be filed through dedicated form answering specific questions. – Submissions are only allowed in English. – There is no dedicated website, the UNFCCC website is available in official UN languages but the AGP documents are only in English. – There are no provisions to seek out engagement with rights-holders (only passive engagement with rights-holders as part of the draft SD Tool). – Confidentiality is provided upon request, but not all information can be confidential.

¹ Based on the OHCHR's [Summary of ARP III Guidance](#), which is in turn based on the official Human Rights Council Decision [A/HRC/44/32](#)

² The following sources were used: [IRM website](#), [IRM ToR](#), [IRM Procedures and Guidelines](#), [GCF IP Policy](#), [GCF Gender Policy](#)

³ [A6.4-SB011-AA-A05](#) - Draft procedure: Appeal and grievance processes under the Article 6.4 mechanism

	<ul style="list-style-type: none"> + Confidentiality is provided upon request. + Grievances are possible up to two years after the fact. 	<ul style="list-style-type: none"> – Grievances are only eligible within the relevant activity cycle.
<p>Predictability <i>a clear and known procedure with an indicative time frame for each stage</i> • clarity on the types of process and outcome available and means of monitoring implementation</p>	<ul style="list-style-type: none"> + Regular updates on grievance status are given to grievants. + There is a stepwise description of the grievance process, with a timeframe for each step. + There is clear regulation for possible exceptions to timeframes. + The IRM ToR contains possible remedial outcomes. 	<ul style="list-style-type: none"> – No updates are given outside of the official process communication. + There is a stepwise description of the grievance process, with a timeframe for each step. – There are no provisions for exceptions to timeframes. + If additional information from the grievant is required, the grievance panel can decide on a deadline reasonable to prepare such additional information. – No possible remedial outcomes are given.
<p>Equitability • aggrieved parties have reasonable access to sources of information, advice, and expertise necessary to engage in a grievance process on a fair, informed, and respectful terms</p>	<ul style="list-style-type: none"> + Meetings take place at, including but not limited to, the site of the grievant. + The IRM bears all costs, including costs of ensuring the meaningful participation of complainants, witnesses and stakeholders in problem solving. + Developing countries can be reimbursed for costs associated with filing a request. + There is a possibility to provide supplementary information on eligibility during the eligibility determination. 	<ul style="list-style-type: none"> – No meetings are foreseen to take place. The only direct communication the grievant can have is, at the grievant's request, after the outcome has already been decided, one single call with the secretariat, along with the members of the grievance panel. – The 6.4 mechanism bears none of the costs that grievants may incur. + In case of incompleteness, there is a possibility to provide a revised form. – When the grievance is complete, there is no possibility to provide supplementary information.

<p>Transparency</p> <ul style="list-style-type: none"> • keeps parties to a grievance informed about its progress • provides sufficient information about its performance to build confidence in its effectiveness and to meet any public interest at stake 	<ul style="list-style-type: none"> + There is an online, publicly accessible, and up-to-date case repository. + Full disclosure on current and past staff is given. + All current and past documentation (surveys, reports, etc) is publicly available. 	<ul style="list-style-type: none"> + The secretariat publishes the outcome of the consideration of the grievance panel on the UNFCCC website. – Neither the secretariat staff nor roster of experts is made public. – No provisions are in place to make any supplementary documentation public.
<p>Rights compatibility</p> <ul style="list-style-type: none"> • ensures that outcomes and remedies accord with internationally recognized human rights 	<ul style="list-style-type: none"> + Retaliation safeguards are in place, and a retaliation brochure is available. + There is a dedicated policy for IPs, which contains specific provisions for grievances. + There is a dedicated gender policy, which contains specific provisions for grievances. 	<ul style="list-style-type: none"> – No retaliation safeguards are in place, nor is information on retaliation available. – There is no dedicated policy to align the grievance procedure with human rights.
<p>Source of continuous learning</p> <p>draws on relevant measures to identify lessons:</p> <ul style="list-style-type: none"> • to improve the mechanism • to prevent future grievances and harms 	<ul style="list-style-type: none"> + There are regulations in place to improve the mechanism, based on experiences and good practice. 	<ul style="list-style-type: none"> + The secretariat regularly organizes workshops with all experts on the roster to discuss relevant matters relating to the appeal and grievance processes. – No provisions are in place to foresee integrating improvements in the AGP.