

GCF Observer Network of Civil Society, Indigenous Peoples, and Local Communities

Intervention on

**Request for changes to the scope of funded activity
FP034: Building Resilient Communities, Wetland
Ecosystems and Associated Catchments in Uganda**

Access the document: <https://www.greenclimate.fund/board-document/gcf-b45-07>

We are concerned as this restructuring and the significant deviation from the original funding proposal is not merely a matter of downward adjusting its expected impact, but a last-ditch attempt, after the majority of approved funding has already been spent, to provide some livelihoods support to the majority of the households that should have benefited from this project. This is in the wake of unkept promises and harms caused due to failures to center beneficiary experiences and prioritize their needs appropriately in the first place.

The presentation of the restructuring as reducing the target beneficiaries and hectares of wetlands and catchment restoration, is ultimately driven by the need to extend timelines and reallocate what is left of mostly depleted funds towards community household support, focusing on providing alternative livelihoods to groups of beneficiaries who voluntarily vacated wetlands livelihoods in the expectation of support. Nevertheless, many other households will unfortunately remain uncovered.

The restructuring's context is critical - grievances raised through four cases with the Independent Redress Mechanism revealed the various ways in which livelihood support, as well as the safety of communities, was not prioritized. This restructuring after reducing the scope of what was originally intended also aims to reduce risk related to addressing remaining unserved households through an update to the Environmental and Social Safeguards (ESS) approach partly in response to IRM findings.

The number of IRM cases have raised serious concerns about safety, oversight, overall management of the project, and due diligence. While acknowledged, the IRM cases are not presented as the primary focus of the restructuring though the documentation does reveal that "fulfilling this commitment is a critical risk mitigation measure to address gaps in livelihood and minimize related grievances."

We are equally concerned that according to the Impact Evaluation Report from the Independent Evaluation Unit, despite disbursing almost 80% of GCF funds, the activities have shown limited outcomes. This project raises questions about the due diligence surrounding project implementation and if underlying issues would have been identified without the spotlight of IRM cases. This project seems to have come into a community, disrupted



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livelihoods, created expectations for alternative livelihoods that have been largely unfulfilled, with noted connections of this lack of support with some of the IRM cases, and failed to substantially deliver any of the posited benefits.

While we recognize the importance of adaptive management, it is critical that such substantial changes, in line with the policy on restructuring and cancellation, must be brought to the Board for decision, particularly in cases like this where implementation causes real harm to communities and potential serious reputational risk to the GCF. This ensures accountability and the Board's oversight over not just the integrity of the funded activities, but also the integrity of the process, especially when project outcomes are adjusted in ways that reveal deeper problems than underperformance and might instead constitute a face-saving partial exit by the GCF from the project.

As the Board reviews the implementation of the policy on restructuring and cancellation, this request is a clear example showcasing that the policy's implementation works and that the Board needs to maintain oversight over major changes – and be transparently informed about the reasons for major deviations from original project promise and intent.