

United Nations Development Programme – OAI, Social and Environmental Compliance Unit



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ELIGIBILITY DETERMINATION:

Complainant: Democratic Traditional Fishers Workers Forum in association with Fridays for Future Andhra Pradesh,¹ regarding UNDP's "Enhancing Climate Resilience of India's Coastal Communities" financed by the Green Climate Fund.

**Case No. SECU0014
Date: 14 January 2021**

¹ Fridays for Future is a global youth movement demanding urgent action on the climate crisis. It was established in 2018 in the wake of the protest by Greta Thunberg and follow youth activists in front of the Swedish Parliament

Basic Data

Case No.	SECU0014
Category of Non-Compliance:	Social and Environmental
Location:	India
Date Complaint received:	14 July 2020
Source of Complaint:	Democratic Traditional Fishers Workers Forum (DTFWF) in association with Fridays for Future Andhra Pradesh (FFF AP)
Related Case(s):	N/A

I. Overview

1. On 14 July 2020 the Independent Redress Mechanism of the Green Climate Fund (GCF) referred a complaint to SECU that it had received relating to the GCF funded, UNDP-implemented project *Enhancing climate resilience of India's coastal communities* (PF084). The project is the result of a successful funding proposal submitted by UNDP to the GCF and UNDP is the GCF-Accredited Entity in charge of its implementation. The funding proposal states that the project's sustainability is enhanced through the application of UNDP's Social and Environmental Standards and access of communities and other stakeholders to SECU, UNDP's Independent Accountability Mechanism.²
2. The complainants are a community represented by the Democratic Traditional Fishers Workers Forum (DTFWF) in association with Fridays for Future Andhra Pradesh (FFF AP). They allege that the destruction of mangrove forests near the port city of Kakinada in Andhra Pradesh is leading to the total loss of livelihoods of the local fishing communities. The complainants claim that these destructive acts carried out by the State Government of Andhra Pradesh violate rules to protect the environment and are inconsistent with the goal to protect mangrove forests and safeguard this coastal ecosystem of the GCF project implemented by UNDP.
3. The complaint adds that the destruction of the mangrove forest, which took place when India had been placed under lockdown to contain the Covid-19 pandemic, will not only render the fishing communities more vulnerable to the intensifying cyclones, but that the industrial city of Kakinada itself would be placed at greater risk. The complaint also refers to the extinction of several species of animals and birds as a result of the felling of the mangrove forest.
4. The State Government of Andhra Pradesh seeks to build a housing project on the site of the destroyed mangrove forest area. In response to a UNDP query, the State Government of Andhra Pradesh has stated that "the land in question neither relates to the GCF-funded project sites nor to the Forest Department." The complainants question the reason for why such a project is being planned for an area that is highly vulnerable to cyclones. In their view, the future inhabitants of the housing project would be in the frontline of immediate danger and placed at great risk.
5. Separately from the complaint brought to SECU, Indian courts are examining the legal issues surrounding the felling of the mangrove forest. As per SECU's current information, two court cases are pending to determine the legality of the felling of the mangrove forests. Both the High Court of Andhra Pradesh and the National Green Tribunal (Southern Branch) are working to establish whether the destruction of the mangrove forests is in violation of the Coastal Regulation Zone Notification of 2011 and other environmental laws. All construction has been temporarily suspended by a Court decision.

II. Project Details

6. The "Enhancing Climate Resilience of India's Coastal Communities" project (Atlas Project ID: 00097042), had a signing date of 17 September 2019, and has a planned end date of 30 June 2025. The Project Document (Prodoc) identifies the management mode of the project as

² UNDP India, *Enhancing Climate Resilience of India's Coastal Communities Prodoc*, 17 September 2019, p.56.

National Implementation Modality (NIM) with the Ministry of Environment, Forest and Climate Change as the Implementing Partner. The budget administered by UNDP includes \$43,418, 606 of Green Climate Fund (GCF) funding, \$80,450,000 (cash) and \$6,400,000 (in-kind) of Government of India funding.

7. The UNDP/GCF project “*Enhancing Climate Resilience of India’s Coastal Communities*” builds on the experience of previous projects in the area, in particular the UNDP/GEF project “*Mainstreaming Coastal and Marine Diversity into Production Sectors in the East Godavari River Estuarine Ecosystems, Andhra Pradesh*” which was concluded in July 2019.³
8. The final evaluation of the UNDP/GEF project identified the uncoordinated and weak implementation of the regulatory framework in Andhra Pradesh as a driver of the degradation of mangrove areas, which in turn threatens biodiversity values that support vital economic activities such as fisheries.⁴ The Project’s strategy consisted precisely in identifying systematic, institutional and knowledge capacity barriers to overcome this problem and thereby address the degradation of the mangrove areas.
9. In response to a SECU query on the UNDP/GCF project, UNDP-India highlighted that one of the practical and efficient successes of the preceding UNDP/GEF project was the establishment of a joint committee for projects with a similar mandate or covering a relatively similar land or seascape to overcome obstacles linked to lack of coordination.⁵ However, while the UNDP/GEF and UNDP/GCF projects largely cover the same coastal areas in Andhra Pradesh, it is not clear whether this joint committee also has a coordinating role in the present project.
10. The project “*Enhancing climate resilience of India’s coastal communities*” targets the coastal areas of three states, Andhra Pradesh, Maharashtra and Odisha. These coastal areas are categorized as highly vulnerable to climate change. The livelihoods of the coastal populations in all three states are largely dependent on the ecological health of coastal ecosystems. Applying an ecosystem-centered and community-based approach, the project seeks to conserve and restore coastal ecosystems. The efforts are designed to establish a buffer to provide protection from climate change-induced impacts of extreme weather events, such as storm surges that cause coastal flooding and erosion. At the same time these efforts are designed to contribute to sustainable fishing and farming activities in support of local livelihoods and food security. Targeted beneficiaries of the project are the most vulnerable populations, including women, socially marginalized groups and tribal peoples, because they suffer disproportionately from the onset of climate change.
11. At the center of the project’s ecosystem-based approach is the conservation and restoration of mangrove forests given their fundamental role as protective barriers to extreme weather events and as nursery habitat for fish and wildlife that are central to the livelihoods of local communities. In addition, mangrove forests maintain coastal water quality and supply nutrients to adjacent seagrass communities and coral reefs.

Geographic siting of the destroyed mangrove forest in relation to the UNDP/GCF project

³ Green Climate Fund, *UNDP Funding Proposal - Enhancing Climate Resilience of India’s Coastal Communities*, 24 May 2018. p.86

⁴ UNDP/GEF, *Terminal Evaluation / Final report, Mainstreaming Coastal and Marine Biodiversity into Production Sectors in the East Godavari River Estuarine Ecosystem, Andhra Pradesh*, July 2019, p. 25.

⁵ Communication from UNDP’s Country Office India of 16 October 2020 in response to questions submitted by SECU

12. The Coringa Wildlife Sanctuary represents the second largest stretch of mangrove forests in India and forms part of the Godavari River estuary.
13. The complaint is about the destruction of an area of a mangrove forest near the city of Kakinada in Andhra Pradesh. Depending on the interpretation, the felled mangrove forest is at a distance of less than 1km to up to 15km from the formal boundary of the Coringa Wildlife Sanctuary⁶ or is a continuation of and technically a part of the Coringa Wildlife Sanctuary.⁷
14. The Godavari mangrove forests and especially the Coringa Wildlife Sanctuary were the special geographic focus of the preceding UNDP/GEF project *“Mainstreaming Coastal Biodiversity into Production Sectors in the East Godavari River Estuarine Ecosystem.”*
15. The current UNDP/GCF project includes the Coringa Wildlife Sanctuary and its surrounding communities in East Godavari District as one of its targeted landscapes. The total project area of this particular landscape comprises 135,700 ha.⁸ Since the Coringa Wildlife Sanctuary itself represents less than one quarter of this area, most of this targeted landscape area covers the surrounding areas and communities.
16. There is ambiguity about whether the felled mangrove forest falls within part of the UNDP/GCF project area. The uncertainty persists given that the boundaries of the project area, including the mapping of communities and villages covered by project intervention, were to be established during the first year of project implementation in the early part of 2020. The onset of COVID-19 has delayed these planned activities.
17. UNDP-India was caught unaware of the destruction of the mangrove forest. As confirmed to SECU, UNDP India only learned about the felling of the mangrove forest via a news article published in The Hindu on 17 May 2020.
18. Once UNDP India learned about the occurrence, it stated “As far as we understand, the site is not in any of our target landscape areas.”⁹ In later communications, UNDP-India stated that the State Housing Scheme to be built on the felled mangrove forest is part of the Kakinada urban mandals (blocks) and therefore not part of the project intervention area.¹⁰
19. However, In response to a query by SECU, UNDP India informed SECU that the felling of the mangroves has potential impacts on its project. The CO notified SECU that it has “initiated the process to revise the SESP to assess if there are potential risks emerging from this project related to this case.” According to the SES, “projects that undergo substantive revision or experience a change in context that affects the risk profile will be re-screened and potentially re-categorized.”¹¹

⁶ Interpretations appear to differ based on whether one is measuring by travel distance on existing roads, or by straight “as the crow flies” measurements

⁷ The petition to the National Green Tribunal refers to the area of the felled mangroves being adjacent to the Coringa Wildlife Sanctuary. Pls. see, Earth Journalism Network, Satellite images reveal 100 acres of mangroves felled for housing project in Kakinada, 18 May 2020

⁸ Green Climate Fund, *Enhancing Climate Resilience of India’s Coastal Communities, Feasibility Study*, February 2017, p. 266.

⁹ UNDP India, *Email in response to a query by the Independent Redress Mechanism (IRM) of the Green Climate Fund*, 8 June 2020

¹⁰ UNDP India, *Email in response to Independent Redress Mechanism (IRM) of the Green Climate Fund*, 4 July 2020

¹¹ P. 58, para 10 of the 2019 OPG-approved Social and Environmental Standards

20. However, the project's Environmental and Social Framework does not exclude urban areas. It refers explicitly to including ecosystem-based adaptation plans for four cities, including Kakinada.¹²

III. Summary of Process to Date

21. The Investigation Guidelines for SECU detail the process for responding to complaints: Section 8. The Complaint Review Process – Eligibility and Terms of Reference directs SECU to register complaints within five days of receipt if they are not automatically excluded pursuant to Section 1.1 Policy basis.
22. SECU received the complaint on 14 July 2020, registered the complaint on 9 September 2020 and posted it on its case registry, available at www.undp.org/secu.
23. Section 8.1, Determining Eligibility of a Complaint, indicates that within twenty business days after registering the complaint, SECU will determine if the complaint meets the eligibility criteria specified in Section 8.2. To be eligible a complaint must: (1) Relate to a project or programme supported by UNDP; (2) Raise actual or potential issues relating to compliance with UNDP's social and environmental commitments; and (3) Reflect that, as a result of UNDP's noncompliance with its social and environmental commitments, complainants may be or have been harmed. Due to delays outside of SECU's control, SECU was not able to conduct an eligibility determination on this case within the required 20 business days.

IV. Determination of Eligibility

24. **Criterion 1: Relates to a project or programme supported by UNDP.** The destruction of mangrove forests and concomitant loss of local livelihoods, which lie at the heart of the complaint received by SECU, relates to the project supported by UNDP. While the specific boundaries of project activities have not yet been established, the felled mangrove area falls within the area of influence of the project and relates directly to the project's social and ecological goals. The destruction of mangroves and local livelihoods in the project area must be of concern to a project that centers precisely around restoring mangrove forests and protecting livelihoods in the region. The process of defining of the project's target locations, and the ecological and social considerations that relate to such a process, raises questions as to whether the area of felled mangroves should be excluded if construction of the housing developments remains barred. Additionally, the project, whose planned starting date was on 1 July 2019, is a post-2015 project making it eligible for a formal review.
25. **Criterion 2: Raises actual or potential issues relating to compliance with UNDP's social and environmental commitments.** The issues raised in the complaint relate to the conservation of natural forests and their ecosystem services, increased exposure and vulnerability to climate change, economic displacement, access to information and public participation. Additionally, the felling of the mangroves may cause a change in context affecting the risk profile of the project. The potential revision of the SESP raises issues relating to compliance, as it is taking place in response to a change in project context affecting social and environmental risks. Thus, the complaint raises issues of compliance with UNDP's social and environmental commitments.

¹² Green Climate Fund, *Enhancing Climate Resilience of India's Coastal Communities, Environmental and Social Management Framework*, 31 May 2018, p.6.

26. **Criterion 3: Reflect that, as a result of UNDP's non-compliance with its social and environmental commitments, complainants may be or have been harmed.** The complainants describe how the destruction of the mangrove forest is depriving them of their fishing-based livelihoods and exposing them to increased risk of extreme weather events, such as cyclones. The economic displacement of local communities and the felling of mangroves from areas clearly in the project's area of influence have the potential to affect whether rights are respected by project activity, and whether project activity can proceed as originally or currently planned in a manner that adequately addresses mangrove-restoration and communities' social and environmental rights. As per the requirements of UNDP's Social and Environmental Standards, direct and indirect impacts on natural resources, biodiversity and ecosystem services in the Project's area of influence must be identified and addressed.
27. Additionally, the UNDP Risk Log for the project considers the context within which the project is occurring. While it did not anticipate the destruction of the mangrove forests, it explicitly requires any housing, water or sanitation project built in parallel to the project to be governed by the Environmental Protection Act (EPA) and for an Environmental Impact Assessment (EIA) to be carried out to minimize and mitigate any potential environmental degradation.¹³ Activity that significantly affects the project's context (such as the felling of these mangroves) could result in UNDP causing unintended community harm and environmental damage if project activity proceeds without updating the Social and Environmental Screening Procedure (SESP) and ensuring proper application of the SES.
28. As all three criteria are satisfied, SECU has determined that the complained is eligible for a social and environmental compliance review.

V. Next steps

29. As the complaint has been found eligible under SECU's procedures, SECU will initiate the compliance review with discussions with the Complainants and relevant UNDP Staff, including with the Project Manager. A complete description of investigative steps will be available in the terms of reference for the investigation, as posted on the SECU website.

¹³ UNDP India, *Enhancing Climate Resilience of India's Coastal Communities Prodoc*, Annex K: UNDP Risk Log, 17 September 2019, p. 84