

DEVELOPING GRIEVANCE REDRESS PROCEDURES



This Guidance Note is one of a series that provide supplementary information on the identification, assessment and management of environmental and social impacts in program investments. The notes complement the *Environmental and Social Safeguard Policy* and the *Environmental and Social Safeguard Operational Procedures*.



1. HOW TO SUPPORT DEVELOPMENT AND IMPLEMENTATION OF GRIEVANCE REDRESS PROCEDURES

Why grievance redress is important – Setting up appropriate mechanisms to air and address community concerns can help minimise adverse impacts on people and communities, improve the outcomes of aid investments and help manage project risks. The voicing of grievances is part of complex development investments; a lack of grievances, in fact, could be a source of concern.

Even with the best planning and implementation, grievances are very likely to arise in program investments. Grievances are likely in investments involving displacement and re-settlement but are also common in investments which have or are perceived to have an adverse impact on the environment or communities. For example, compensation amounts or timing for displacement or resettlement may be questioned. Some may believe they have been wrongly classified as ineligible for some form of assistance. Other issues may concern construction activities, such as noise and vibration or the quality of housing at resettlement sites. Frequently, issues arise as a result of unexpected damages to property by construction contractors in infrastructure projects, or restrictions on access to community resources.

A well-functioning grievance redress mechanism serves two important purposes. For affected people, it provides an accessible and credible channel for seeking to resolve complaints, increasing the likelihood that resettlement plan goals and objectives can be achieved. Just as important, early identification of and attention to grievances minimises two risks to the investment:

1. that complaints will escalate into judicial action or public controversy; and
2. that complaints will result in lengthy delays in implementation and associated cost overruns.

In other words, development experience shows that inadequate or untimely response to grievances can make implementation problems more costly and intractable than they need to be.



A well-functioning grievance redress mechanism does not guarantee that all complaints will be resolved to mutual satisfaction. It does, however, increase the likelihood that complainants will conclude, regardless of outcome, that their complaints have been heard and considered in a fair and credible manner.

2. WHAT ARE DFAT'S RESPONSIBILITIES?

DFAT's *Environmental and Social Safeguard Policy* (safeguard policy) and *Environmental and Social Operational Procedures* provides for grievance redress mechanisms to be established for relevant investments. Principle 3 of the safeguard policy requires meaningful consultation with affected parties, including women and vulnerable groups and a grievance redress mechanism to receive affected parties concerns on environmental and social performance and facilitate resolution.

For example, a resettlement action plans should provide for accessible, culturally appropriate, and responsive means by which affected people can pursue grievances. Primary responsibility for the design and functioning of the grievance redress mechanism outlined in the resettlement action plan rests with the partner government. DFAT bears responsibility for ensuring that appropriate arrangements for addressing grievances are included in resettlement action plans and for monitoring effectiveness in addressing grievances received.

What about working with partners?

DFAT's key multilateral partners, such as the World Bank Group and the Asian Development Bank have their own well-established grievance redress procedures and mechanisms. DFAT accepts these mechanisms but should still ensure they reflect investment risks, are adequately resourced and implemented.

3. ELEMENTS OF EFFECTIVE GRIEVANCE REDRESS

Arrangements for a grievance redress mechanism are included in relevant management plans or resettlement action plans – DFAT should review management plans to ensure they include appropriate arrangements for grievance redress. These include:

- ☒ Arrangements to make the grievance redress mechanism known and accessible
- ☒ Procedures for initiating and recording grievances
- ☒ System performance standards in responding to grievances
- ☒ Methods of appeal, and
- ☒ Measures for monitoring performance of the grievance redress mechanism.

Balancing formal and informal or customary methods of addressing grievances – In many areas, customary but informal methods exist to address complaints. Local people may rely first on such methods because they are known and trusted. These may be an invaluable resource in addressing grievances, and a formal grievance redress mechanism established for purposes of an investment should not seek to supplant customary methods. Many complaints may also be worked out informally on the spot as may occur, for example, when a contractor's equipment inadvertently causes minor damage to plants or fencing. This, too, should not be discouraged.



A formal mechanism remains important, however, in providing a mode of redress for affected people. This is particularly relevant in societies where women, minority groups or others do not customarily give voice to their concerns, or where their complaints are unlikely to receive equitable treatment. The formal grievance redress mechanism is also important because it creates a means for the investment to promote effective, structured problem management and resolution. Finally, systematic recording and treatment of grievances in a formal procedure promotes accountability and credibility.

Essential design considerations – Several elements must be in place to allow a grievance redress mechanism to function effectively:

- ✓ The mechanism must be known to affected people, or basic information about it (for example, where to register grievances, who is responsible for receiving grievances) must be readily available to them in a form they can understand.
- ✓ The mechanism should be accessible to affected people. The initial contact point ideally will be within each community, or at least in convenient proximity. Modes of contact should also be accessible. For those who cannot read, oral statement of grievances should be acceptable. Hotlines may be effective where there is widespread phone usage.
- ✓ The mechanism should be affordable. Access to the grievance redress mechanism should be without cost to affected people.
- ✓ The mechanism should be culturally appropriate but also inclusive, providing equitable treatment to all affected people regardless of gender, ethnicity, disability, or other personal characteristics.

Functional requirements for a grievance redress mechanism – The structure of the grievance redress mechanism is vital to its functioning. Essential functional requirements include:

- ✓ Process steps, from initiation of grievances to exhaustion of final appeal, that are delineated at the outset. While one or more initial steps may be managed internally by the investment, access to an appeals committee that includes non-management representation should also be required.
- ✓ Established procedures for recording grievances, for tracking resolution of grievances received and for disclosure of this information.
- ✓ Established performance standards, specifying who is responsible for action and normal response times for each step in the process.
- ✓ Clear statement of authority for action, or limitations on authority, for each stage of the process. In some instances, a grievance redress mechanism will be established solely for displacement and resettlement issues. In other cases, grievances will be handled by a mechanism with a broader mandate. Regardless, it should be clear who has the authority to redress grievances, including the authority to approve payment for justifiable claims.
- ✓ Arrangements for referral of unresolved grievances to the judicial system as a last recourse mechanism.



DFAT should review the effectiveness of the grievance redress mechanism during the implementation phase of the investment – In addition to ensuring that an appropriate grievance redress mechanism is developed, DFAT should review its operational effectiveness. Monitoring processes should be established that include reporting on grievances (for example, number received, nature of grievances, number resolved). Where procedures do not appear to be followed, or where significant numbers of grievances have not been resolved, DFAT should discuss improved system performance and work with the implementing entity to address outstanding grievances. DFAT should review the operational effectiveness of the grievance redress mechanism even when DFAT has agreed that the policy of a co-financing partner will serve as the basis for planning and implementation. DFAT may also consider providing advisory and/or financial support to strengthen grievance redress systems of partner governments.

What DFAT teams should do if they receive complaints from affected people – DFAT staff may receive complaints during monitoring visits. Sometimes these complaints can be addressed on the spot, through discussions between the affected person and the implementing agency, construction contractor, or other relevant party. If not, makes sure that the affected person is aware of the grievance redress mechanism and how to access it.

GET HELP IF YOU ARE UNSURE

For assistance please contact: aidsafeguards@dfat.gov.au or resettlement@dfat.gov.au

