



DBSA INDEPENDENT GRIEVANCE REDRESS MECHANISM (IGRM)

OCTOBER 2020

Acknowledgements

This document was developed by Environmental and Social Sustainability, Legal, Compliance, ICT and Stakeholder Management teams of the DBSA. The DBSA acknowledges benchmarking drawn from the AfDB, the GEF, GCF, Asian Development Bank, World Bank Group and United Nations policies and procedures to inform this document.

Stakeholder Strategic Partnerships

Sherine Panton-Ntshona

Principal: Stakeholder Strategic Partnerships

SherineP@dbsa.org

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DBSA Independent Grievance Redress Mechanism

1258 Lever Road

Headway Hill

Midrand

Johannesburg

www.dbsa.org

Preface

The document provides people adversely affected by projects financed by the DBSA with an independent and transparent grievance redress mechanism through which Aggrieved Parties can engage with the DBSA. The grievance mechanism was initially established in **March 2018** and reviewed in **July 2020**. The DBSA believes that the IGRM will:

- Increase the effectiveness of the DBSA operations;
- Identify shortcomings in DBSA procedures and enhance governance processes;
- Be responsive to the concerns of people adversely affected by projects and programmes funded by the DBSA;
- Provide a platform for transparent, responsive fair and equitable engagement with concerned stakeholders;
- Adopt independent and transparent approach to problem solving;
- Be cost-effective and expeditious in the delivery of just redress;
- Be complementary to other monitoring, supervision, audit, quality control and evaluation systems of the DBSA; and
- Follow international best practices of the IGRM consistent with the policies and practices of the DBSA

The DBSA is a development finance institution (DFI) that has been entrusted with the mission to advance the development impact in the region by expanding access to development finance and effectively integrating and implementing sustainable development solutions.

The DBSA has zero tolerance for fraud or corruption. You can report suspicious, fraudulent or corrupt activity confidentially and securely to:

DBSA Independent Grievance Redress Mechanism

Toll Free Number:	0800 204 933
Email:	dbsa@whistleblowing.co.za
Toll Free Fax:	0800 212 689
Postal:	Freepost KZN 665 Musgrave 4062
SMS:	33490

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LIST OF ABBREVIATIONS AND DEFINITIONS

Active DBSA Funded Project	Means any DBSA Funded Project currently under appraisal or implementation
ADB	Asian Development Bank
APs	Aggrieved Party
AfDB	African Development Bank
CRO	Chief Risk Officer
CME	Communications, Marketing and Events
DBSA	Development Bank of Southern Africa (interchangeably also referred to as “the Bank”)
Project	Means any project or programme funded in part or in full by DBSA as principal, or as agent on behalf of another entity
DFI	Development Finance Institution
ESSS	Environmental, social, safeguards standards
GCF	Green Climate Fund
GEF	Global Environment Facility
GF	Green Fund
GRC	Grievance Redress Committee
ICT	Information and Communications Technology
IGRM	Independent Grievance Redress Mechanism
NDP	National Development Plan
IGRM	Independent Grievance Redress Mechanism
SSPU	Stakeholder Strategic Partnerships Unit
UNDP	United Nations Development Programme
UN	United Nations

1. PURPOSE OF THE DBSA IGRM

The IGRM provides a platform for Aggrieved Parties to submit complaints/grievances pertaining to perceived adverse impacts from projects financed by the DBSA.

2. OBJECTIVE OF THE DBSA IGRM

The objective of the DBSA IGRM is to ensure transparent, fair, equitable and prompt resolution of complaints/grievances from APs to increase impact, sustainability and efficiency of the DBSA funded infrastructure projects.

3. BACKGROUND

The DBSA is one of the leading Development Finance Institutions in Africa. It is wholly owned by the government of South Africa. Established in 1983, the DBSA's primary purpose is to promote economic development, growth and regional integration through infrastructure finance and development that improves the quality of people's lives. Development effectiveness requires high standards of accountability, transparency, openness, and public participation. The DBSA's robust governance structures entrench accountability, transparency and responsibility across the DBSA, building the trust necessary for creating long term value. Effective governance enhances the DBSA's strategic response, strengthening relations with stakeholders and bolstering risk management.

The IGRM was designed to:

- Increase the effectiveness of the DBSA governance processes, project operations and project quality;
- Be responsive to the concerns of people adversely affected by projects and programmes funded by the DBSA;
- Provide a platform for transparent, responsive fair and equitable engagement with concerned stakeholders;
- Adopt independent and transparent approach to problem solving;
- Be cost-effective and expeditious in the delivery of just redress; and
- Be complementary to other monitoring, supervision, audit, quality control and evaluation systems of the DBSA.

The DBSA is firmly committed to good governance, sustainable community and environmental impact of DBSA funded infrastructure projects. For this purpose, DBSA will ensure that the IGRM remains effective and in keeping with current international best practices.

4. WHAT IS IGRM

The IGRM provides a platform for Aggrieved Parties, including communities or interest groups to submit grievances pertaining to adverse impact of a DBSA funded project to the DBSA. The IGRM establishes a provides for promptly resolution of grievances whilst fostering dialogue and problem solving through relevant dispute resolution tools. The IGRM activities and complaint-handling processes are guided by the IGRM procedure below.

Aggrieved Parties can raise their grievances and dissatisfactions about actual or perceived impacts in order to find a satisfactory solution. These grievances can be influenced by their physical, situational (e.g., employment), and/or social losses and can surface at different stages of the project cycle. Some grievances may arise during the project design and planning stage, while others may come up during project implementation.

Not only should APs be able to raise their grievances and be given an adequate hearing, but also satisfactory solutions should be found that mutually benefit both the APs and the project. It is equally important that APs have access to legitimate, reliable, transparent, and efficient DBSA'S IGRM mechanism responsive to their complaints. **Table 1** below demonstrates IGRM benefits to both the project and the AP and other stakeholders.

Table 1: IGRM benefits to both the project and the AP and other stakeholders

Benefits to Projects	Benefits to Affected Persons and Other Stakeholders
<ul style="list-style-type: none"> • Provides information about project implementation • Provides an avenue to comply with government policies and legislative requirements • Provides a forum for resolving grievances and disputes • Resolves disputes relatively quickly before they escalate to an unmanageable level • Facilitates effective communication between the project and affected persons • Helps win the trust and confidence of community members in the project sites 	<ul style="list-style-type: none"> • Provides a cost-effective method to report grievances and complaints • Establishes a forum and a structure to report grievances with dignity, and access to a fair hearing and remedy • Provides access to negotiate and influence decisions and policies of the project that might adversely affect them

<p>and creates productive relationships between the parties</p> <ul style="list-style-type: none"> • Ensures equitable and fair distribution of benefits, costs, and risks • Mitigates or prevents adverse impacts of the project on the environment and communities and leads to appropriate corrective or preventive action • Helps avoid project delays and cost increases, and improves quality of work 	
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Adopted from the Asian Development Bank

5. LEGISLATIVE REQUIREMENTS

All DBSA funded projects are required to adhere to the relevant environmental and social policies, frameworks, legislation and standards throughout the project value chain of the country where projects are implemented. Regulatory framework varies from country to country and (include but not limited to):

- Basic Conditions of employment Act;
- Occupational Health and Safety;
- Compensation for injuries;
- National Environmental Management Acts: (Waste, Biodiversity, Air Quality, Protected Areas, National Health, Forests and Coastal Management etc);
- Preferential Procurement;
- Skills Development;
- Labour Relations Act;
- The Constitution of the Republic of South Africa Act;
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies;
- Heritage Resources Act;
- Land Reform, Minerals and Petroleum Resource Development Amendment Act;
- Municipal Finance Management Act;
- Unemployment Insurance Fund Act; and other relevant legislations.

These sets of legislations provide a framework and parameters for the DBSA project operations.

6. SCOPE OF IGRM

The DBSA will only address complaints that meet the eligibility criteria below:

- The grievance must detail the perceived harm, risk of injustice which the Aggrieved Party wishes the DBSA to review which may *inter alia* include health and safety risks, physical, economic, situational (e.g., employment), and/or social losses and adverse environmental impacts in relation to DBSA funded projects and programmes;
- The grievance must pertain to an active DBSA Financed Project;
- The complaint is submitted by individuals and/or communities, or their representative, who believe that they are or may be affected by an active DBSA financed project;
- Grievances must be genuine/legitimate and be raised without malice and in good faith;

7. EXCLUSIONS

The DBSA IGRM excludes complaints that address the below matters:

- The procedure will not apply to complaints related to unsuccessful funding outcomes.
- Anonymous complaints;
- Grievance not related to an active DBSA financed project;
- Grievance connected to a DBSA financed project submitted to the IGRM on or after 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 or (b) within two (2) years from the closure of the DBSA funded project or programme;
- Complaints from unsuccessful bidders in any DBSA procurement process. Bidders who wish to submit queries/complaints pertaining to outcomes of procurement processes should refer to the DBSA Procurement related complaints guidelines;
- Reports of suspected crime including fraud, corruption, and gender-based violence or sexual exploitation, should please make use of DBSA whistleblower platforms;
- A grievance or complaint regarding matters already concluded by the IGRM unless the complainant has submitted new material information or evidence that was unavailable at the time the matter was previously considered by the IGRM;
- A grievance or complaint to gain competitive advantage;
- A grievance or complaint regarding matters relating to the DBSA's activities which are unconnected to a DBSA funded project or programme, such as matters relating to administration and human resource management; and
- A grievance or complaint solely regarding the adequacy of the DBSA operational policies and procedures.

8. REPORTING AND LODGING A GRIEVANCE BY THE AP

A grievance or complaint may be submitted in any official language. Where the grievance is in a language other than English and the AP is unable to submit a translation, the IGRM will have it translated into English which is a business language for the DBSA. The IGRM may extend any timeframes set out in the IGRM to enable it to fulfil this requirement.

The IGRM shall provide confidentiality to a complainant or to a representative if requested by the complainant, provided that in the case of a representative the IGRM is satisfied that the confidentiality request is justified in the circumstances of the case.

Complaints will be accepted by the online case registry, email, letter, and by hand delivery at the DBSA offices in Midrand Johannesburg. Below are the details for the different channels:

8.1 Lodging a grievance through the DBSA online system

All grievances lodged through the DBSA online system www.IGRM@dbsa.org must complete all required fields of information requested.

8.2 Lodging a grievance through email

All email grievances must contain information requested in point 9 below and emailed to complaints@dbsa.org

8.3 Lodging a grievance through written letter

All written grievances must contain information requested in point 9 below and posted to 1258 Lever Road, Headway Hill, Midrand 1685, Johannesburg. All written letters must be addressed to the Principal: Stakeholder Strategic Partnerships of the DBSA.

8.4 Lodging a grievance through hand delivery

All hand delivered grievances must contain information requested in point 9 below and hand delivered to 1258 Lever Road, Headway Hill, Midrand 1685, Johannesburg. All handwritten grievances must be addressed to the Principal: Stakeholder Strategic Partnerships of the DBSA.

9. INFORMATION REQUIRED PER COMPLAINT/GRIEVANCE

All grievances must have the name, address, telephone number, email, and other contact information of the complainant provided. If a grievance or complaint is submitted on behalf of a complainant by a different person or entity, the identification of the complainant on whose behalf the grievance or complaint is being submitted should be provided. In addition, evidence of authorization by the complainant for the grievance or complaint to be submitted, and

acknowledgment of that authorization by the person or entity concerned should be provided, if relevant. In addition, a complainant should provide the following information:

- (a) The name, location, and nature of the project or programme that has caused or may cause adverse impacts;
- (b) Detail of the adverse impact which the Aggrieved Party wishes to have addressed;
- (c) Outcome or intervention desired by the Aggrieved Party; and
- (c) An indication of whether confidentiality is requested by the complainant.

In addition, where possible a complainant/AP may wish to include:

- (a) A description of the relevant DBSA operational policies and procedures or project institutional arrangements, if known, that the complainant alleges have not been complied with;
- (b) A description of other efforts including access to grievance/redress mechanisms of the DBSA or other dispute resolution processes, if any, that the complainant/AP has pursued or intends to pursue to resolve the concerns, and redress, if any, already received from such efforts; and
- (c) Other relevant information including documents, media reports, photographs, videos and recordings, if any, which might assist and/or facilitate the IGRM's processing of the grievance or complaint.

10. STEPS FOR ADDRESSING A GRIEVANCE OR COMPLAINT

The IGRM handles requests through the two below mechanisms;

- Compliance Review (Investigation); and
- Problem-Solving (Mediation).

10.1 Compliance Review (Investigation)

The IGRM Committee determines eligibility of requests for compliance review including recommendations to authorize or not a Compliance Review within 30 days which the Chairperson of the IGRM will approve/decline. Once the Chairperson of the IGRM Committee approves the review, the IGRM Experts constitute the Compliance Review Panels to undertake the compliance review. The recommendation for a compliance review and the decision is promptly communicated to the APs and any other interested person. A summary of the decision and the recommendation for a compliance review shall be published on the DBSA's IGRM website depending on confidentiality agreement.

The Compliance Review Panel conducts Compliance Review in accordance with the authorized Terms of Reference and time-frame. The Compliance Review Panel may:

- Solicit additional oral or written information from, or hold meetings with the requestors and any interested party;
- Undertake site visits to the project(s) in issue;
- Retain additional expertise (consultants) to assist with an inquiry, assessment, review or exercise of specific issues.

After completing its investigations, the Compliance Review Panel shall within 30 days write the compliance review report containing the panel's findings and recommendations and circulate it to the DBSA governance structures responsible for approving projects for review and comments on factual matters only. The DBSA governance structures responsible for approving projects shall submit its comments to IGRM within twenty-one (21) business days from the date of receipt of the draft report from IGRM; and upon receipt of comments from the DBSA governance structures responsible for approving projects, the panel shall finalize its report. The panel submits the Compliance Report that has considered the DBSA governance structures factual amendments, if any to the Chairperson of the IGRM including its findings and recommendations for:

- Any remedial change in the scope or implementation of the Bank financed project;
- Any remedial change to systems or procedures of the Bank to avoid a recurrence of similar non-compliance which resulted in complaints about harm; and
- Any further steps to be undertaken to monitor the implementation of the remedial action plans referred to above.

Subject to the provisions of the Bank Group's Disclosure and Access to Information Policy, the Compliance Review Report shall be made available to the APs. Thereafter, it is posted on the DBSA IGRM website. Upon receipt of the Compliance Review Report by the Chairperson of the IGRM, the Chairperson prepares a response and an action plan based on the findings of the Compliance Review Report.

The Compliance Review Report may not recommend the award of compensation or any other benefits to the APs or any other person, entity or government beyond that which may be expressly contemplated in a relevant Bank Group policy.

10.2 Problem-Solving (Mediation)

The objective of the problem-solving (mediation) exercise is to restore an effective dialogue between the APs and any interested persons with a view to resolving the issue(s) underlying a

request, without seeking to attribute blame or fault to any such party. The Chairperson of the IGRM invites all relevant parties, the APs, management's representatives, project promoters, and other interested persons in the complaints about projects to participate in the exercise.

- The DBSA will adopt a participatory and flexible approach, focused on assisting the parties in finding and/or developing an effective solution to the concerns raised by the complainant/AP.
- The focus of problem solving is on addressing the concern that gave rise to the grievance or complaint in a way that meets the interests of the complainant and the other parties and is mutually satisfactory.
- While a problem-solving process may seek to identify who can take constructive action, a problem-solving process does not seek to determine culpability.
- Problem solving is a voluntary process and will be used by the IGRM only with the agreement of the complainant and other parties.
- Problem solving processes vary in duration, according to the nature, complexity, and scope of the issues, and other factors.
- The IGRM will work with the parties in establishing a reasonable timetable for the process and will endeavor to work efficiently and expeditiously in assisting the parties in finding solutions to the concerns raised.
- The timeline for the process may be extended by agreement of the parties and the IGRM. However, problem solving should ordinarily be completed within one (1) year of the parties' agreement to pursue it. Where the IGRM decides that progress is no longer possible or where problem solving is not an efficient use of its resources, the IGRM may terminate the process after providing written notification to the parties. The IGRM shall consult the parties in reaching such a decision.

10.3 Successful Problem-Solving

DBSA IGRM shall within 30 days of a successful problem-solving exercise write and submit to the Chairperson, the Requestors and other interested parties, a Problem-Solving Report which shall include the solutions agreed upon by the parties involved. The Chairperson shall decide whether or not to accept recommendations made for remedial actions. If the recommendations are rejected, the IGRM or the Chairperson will inform all participants in writing of the reasons for rejection. IGRM will monitor the implementation of the action plans agreed during the problem-solving exercise.

11. GOVERNANCE STRUCTURE OF THE IGRM

The IGRM shall be constituted by eight separate functions within the DBSA in the different IGRM committees as follows:

DBSA Independent Grievance Redress Mechanism

1. ICT department is responsible for the automated online case system. The department shall establish and maintain an effective Case Management System.
2. Communications, Marketing and Events department acts as the webmaster
3. Strategic Stakeholder Management is responsible for conducting outreach activities aimed at making the mechanism better known through various communication channels and understood both within and outside the DBSA;
4. Legal department is responsible for problem-solving function and finding satisfactory solutions to problems caused or likely to be caused by the DBSA financed projects;
5. Compliance department focuses on the DBSA's accountability on whether it has or has not complied with its operational policies and procedures that affect or may affect local people directly, materially and adversely. This department also manages the IGRM process and conducts spot-check advisory reviews of project compliance.
6. Environmental and Sustainability department is responsible for making all stakeholders of the project aware of the IGRM process throughout the project lifecycle; and
7. Monitoring and Evaluations unit is responsible for monitoring implementation of recommended actions within the agreed timeframe.

Where necessary, independent external Consultants may be hired to assist the IGRM team with investigations and fact-finding missions.

Table 2: IGRM Committees

Committees	Members
IGRM Committee	<ul style="list-style-type: none"> • Chairperson • Compliance Representative • Stakeholder Management Representative • Environmental and Social Sustainability Representative • Transacting/Coverage/Project Prep/IDD Representative • Legal Representative • CME Representative
Compliance Review Panel	<ul style="list-style-type: none"> • Compliance Representative • Stakeholder Management Representative • Environmental and Social Sustainability Expert • Transacting/Coverage/Project Prep/IDD Representative • Legal Expert
Problem Solving	<ul style="list-style-type: none"> • Compliance Representative • Stakeholder Management Representative • Environmental and Social Sustainability Expert • Transacting/Coverage/Project Prep/IDD Representative • Legal Expert
Monitoring and Evaluation Committee	<ul style="list-style-type: none"> • Monitoring and Evaluation Representatives

12. REQUIREMENTS FROM DBSA CLIENTS

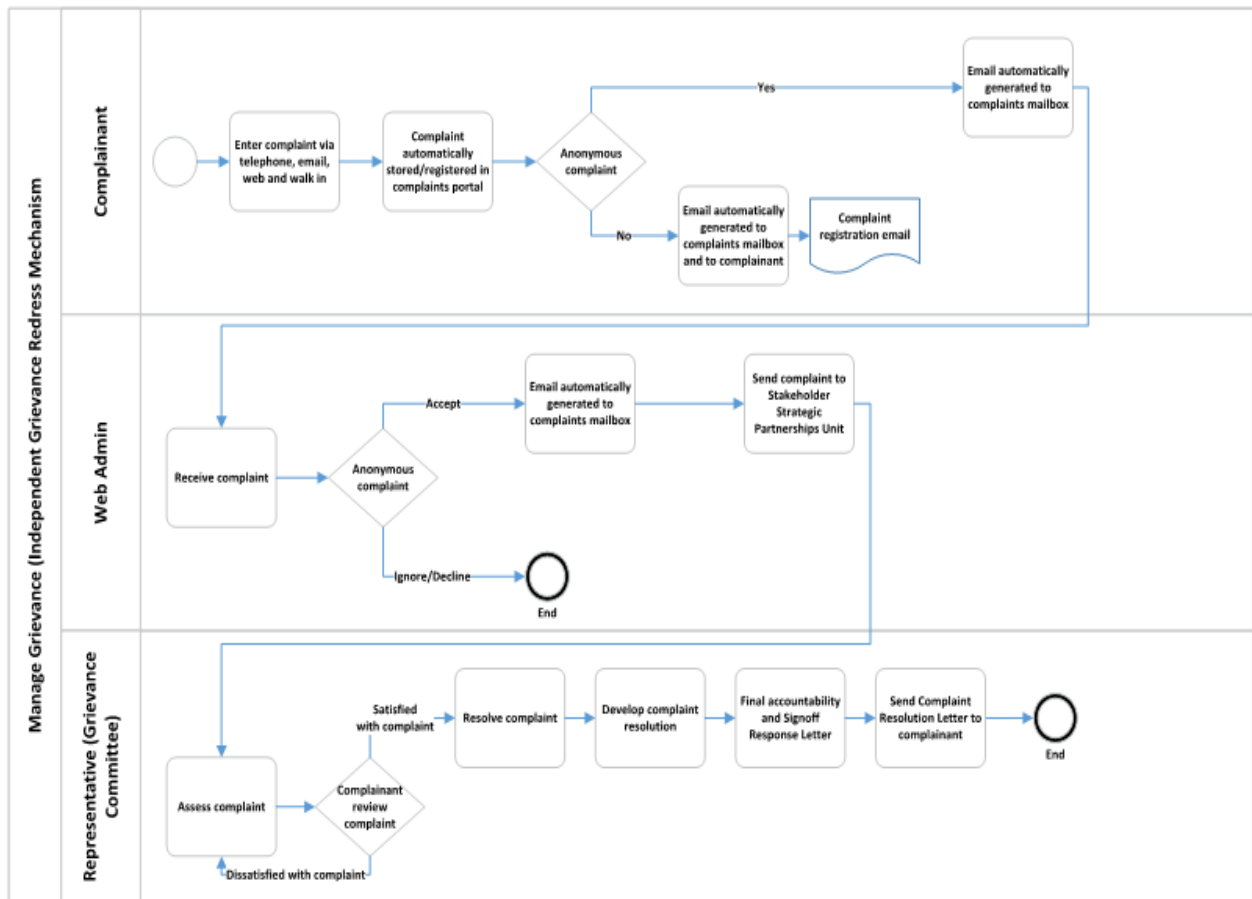
The DBSA requires every client to provide an Independent Grievance Redress Mechanism, process, or procedure to receive and assist resolve project-affected parties concerns and grievances arising from the project. The grievance mechanism should be proportionate to the project risks and impacts. When interested and affected parties are unable to obtain an adequate response from a client, then the AP can resort to following DBSA grievance procedures. After bringing their concerns directly to the DBSA's attention and giving DBSA IGRM a reasonable opportunity to respond as per stipulated guidelines, project-affected parties may follow the procedures outlined on the DBSA website <http://www.dbsa.org/EN/InvestorRelations/Pages/Sustainability.aspx>. The client grievance mechanism, process or procedure will:

- Address concerns promptly and effectively at no cost and without retribution
- Not prevent access to judicial or administrative remedies where necessary
- Handle project beneficiaries and project APs' grievances in a culturally appropriate, discreet, objective, transparent, sensitive and responsive manner
- Allow for anonymous complaints to be raised and addressed

The client will explain the grievance process during community engagement activities and publicise a record of concerns raised, the responses to all grievances received, and the status of reported grievances

Figure 1: Process flow for registration to resolution

DBSA Independent Grievance Redress Mechanism



13. MONITORING AND EVALUATION

The IGRM through the monitoring and evaluation committee will monitor the implementation of:

- Agreements concluded through problem solving and compliance review processes;
- Final remedial action plans; and
- Decisions of the IGRM and the recommendations of the Chairperson in relation to grievances or complaints.

The monitoring time frame shall be project or programme specific, and unless extended by the IGRM, will not exceed three (3) years.

The methods for monitoring may include:

- Consultations with the complainant and other stakeholders;
- Review of documents;
- Obtaining expert opinions; and
- Site visits.

When the DBSA IGRM monitors the implementation of agreements it will do so in consultation with the relevant parties involved. Unless the IGRM Chairperson or IGRM Committee specifies a different timeline, the Monitoring and Evaluations team will submit monitoring reports to the IGRM

Committee annually and shall make these public through the IGRM website within five (5) calendar days post submission to the Committee. The IGRM will make a draft of the monitoring report available to the parties to the agreement, giving them a reasonable time to provide comments, prior to submitting monitoring report for publishing to the Chairperson of the IGRM Committee.

At the conclusion of the monitoring period, the last monitoring report submitted by the DBSA IGRM will bring the problem solving or compliance review process as the case may be to an end.

14. LOCAL LANGUAGE OF THE COMPLAINANT

All publicly disclosed IGRM reports relating to a grievance or complaints, including eligibility determinations, agreements reached through problem solving, compliance appraisal reports, compliance investigation reports, and monitoring reports, along with other relevant documentation needed to facilitate communication, will be translated into the preferred local language of the complainant.

15. REFERENCES

1. African Development Bank Grievance Redress Mechanism; <https://www.afdb.org/en/independent-review-mechanism-irm>
2. Asian Development Bank Grievance Redress Mechanism; <https://www.adb.org/publications/grievance-mechanisms-critical-component-project-management>
3. GEF Grievance Redress Mechanism; <https://www.thegef.org/conflict-resolution>
4. GCF Grievance Redress Mechanism; <https://irm.greenclimate.fund/about-the-irm>
5. Designing and Implementing Grievance Redress Mechanisms. <HTTPS://WWW.ADB.ORG/DOCUMENTS/DESIGNING-AND-IMPLEMENTING-GRIEVANCE-REDRESS-MECHANISMS-GUIDE-IMPLEMENTORS-TRANSPORT-PROJE>
6. The World Bank Group Grievance Redress Service. <https://projects.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>
7. UNEP Environmental and Social Sustainability Framework: Stakeholder Response Mechanism. <https://www.unenvironment.org/resources/report/uneps-environmental-social-and-economic-sustainability-stakeholder-response>