DRAFT – for information only
Joint UNDP – World Bank FCPF Guidance Note
for REDD+ Countries: Establishing and Strengthening Grievance Resolution Mechanisms

> This is a preliminary draft that still needs to be reviewed and/or commented on by the UN-REDD agencies, the Bank internally, and the Delivery Partners of FCPF. Upon receipt of further input, a further advanced version will be circulated.

1. Background

The introduction of REDD+ in participating countries will have a significant impact on the dynamics of conflicts over forest resources, and on land, oil, gas, minerals and other valuable resources in forested areas. The purpose of this Guidance Note is to help countries strengthen their capacity for grievance resolution in order to respond to contentious issues, complaints and disputes.

According to the FMT Note on Enhancing Capacity for Dispute Resolution, a national feedback and grievance redress mechanism needs to be effectively available, and if necessary strengthened, as part of the country's REDD+ institutional arrangements. Such a mechanism needs to be available to REDD+ stakeholders from the earliest stages of R-PP implementation in order to facilitate handling of any request for feedback or complaint by any REDD+ Readiness stakeholders, with particular attention to providing access to geographically, culturally or economically isolated or excluded groups.

Addressing potential grievances and disputes will require a strategy that differentiates between the Readiness Preparation stage and Implementation stage of the process. During Readiness, the approach to grievance redress should focus on two activities: 1) addressing complaints that relate to the policy preparation process and other Readiness activities; and 2) supporting REDD+ countries to build capacity to address potential disputes that are likely to arise during the Carbon Fund, or Implementation phase. **This note proposes an approach to strengthening grievance capacity in the Readiness phase.**

Once established or strengthened, effective Grievance Redress Mechanisms (GRMs) can help REDD+ countries accomplish several objectives in both the Readiness and Carbon Fund phase:

- *Identify and resolve implementation problems in a timely and cost-effective manner*: As early warning systems, well-functioning GRMs help identify and address potential problems before they escalate, avoiding more expensive and time consuming disputes.

- *Identify systemic issues*: Information from GRM cases may highlight recurring, increasingly frequent or escalating grievances, helping to identify underlying systemic issues related to implementation capacity and processes that need to be addressed.

- *Improve project outcomes*: Through timely resolution of issues and problems, GRMs can contribute to timely achievement of project objectives.

- *Promote accountability among project staff*: Effective GRMs promote greater accountability of project staff to stakeholders, positively affecting overall project governance.

2. What is a Grievance Redress Mechanism and what is its purpose?

Definition: For purposes of this guidance note, GRMs are defined as organizational systems and resources established by national government agencies to receive and address concerns about the impact of their policies, programs and operations on external stakeholders. The stakeholder input handled through these systems and procedures may be called "grievances," "complaints," "feedback," or another functionally equivalent term.

GRMs are intended to be accessible, collaborative, expeditious and effective in resolving concerns through dialogue, joint fact-finding, negotiation, and problem solving.[1] They are generally designed to be the "first line" of response to stakeholder concerns that have not been prevented by proactive stakeholder engagement. GRMs are intended to complement, not replace, formal legal channels for managing grievances (e.g. the court system, organizational audit mechanisms, etc.). If they are not successful in resolving the issues raised, then stakeholders still have the option to use other, more formal and potentially more complex, costly and time-consuming alternatives, including legal remedies.

Purpose: GRMs act as recourse for situations in which, despite proactive stakeholder engagement, some stakeholders have a concern about the organization's actual or potential impacts on them. Not all complaints about an implementing partner's impacts should be handled through a GRM. For example, grievances that allege corruption, coercion, or major and systematic violations of rights and/or policies, are normally referred to organizational accountability mechanisms for formal investigation, rather than to GRMs for collaborative problem solving.

3. What principles should guide the design of a GRM?

Several guiding principles should drive the design of GRMs. GRMs designed according to these principles are more likely to provide effective resolution of stakeholder grievances.[2]

a. Legitimate: enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes. Accountability for ensuring that the parties to a grievance process cannot interfere with its fair conduct is typically one important factor in building stakeholder trust.

b. Accessible: being known to all stakeholder groups for whose use they are intended, and

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[1] GRMs may also offer adjudication or arbitration (meaning a judgment rendered by a neutral party to resolve a dispute). In GRMs, adjudication/arbitration is an option that the participating stakeholders may choose, rather than a process to which they must submit.

[2] UN Human Rights Council, 2011. Report of the UN Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, John Ruggie: *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework.* A/HRC/17/31, 21 March. Though developed initially as a guide for businesses with potential operational impacts on the rights of affected communities and other stakeholders, these Guiding Principles, and particularly the guidance on grievance mechanisms as a key component of remedy, are rapidly gaining global support among multilateral agencies as a basis for developing and refining their organizational grievance mechanisms. Likewise, though the Principles are not officially addressed to government agencies or NGOs, they provide a strong foundation for Governments in reviewing, developing and refining their GRMs.

providing adequate assistance for those who may face particular barriers to access. Barriers to access may include a lack of awareness of the mechanism, language, literacy, costs, physical location and fears of reprisal.

c. Predictable: providing a clear and known procedure with an indicative timeframe for each stage, and clarity on the types of process and outcome available and means of monitoring implementation. In order for a mechanism to be trusted and used, it should provide public information about the procedure it offers.

d. Equitable: seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms. Where imbalances are not redressed, perceived inequity can undermine both the perception of a fair process and the GRM's ability to arrive at durable solutions.

e. Transparent: keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake. Providing transparency about the mechanism's performance to wider stakeholders, through statistics, case studies or more detailed information about the handling of certain cases, can be important to demonstrate its legitimacy and retain broad trust. At the same time, confidentiality of the dialogue between parties and of individuals' identities should be provided where necessary.
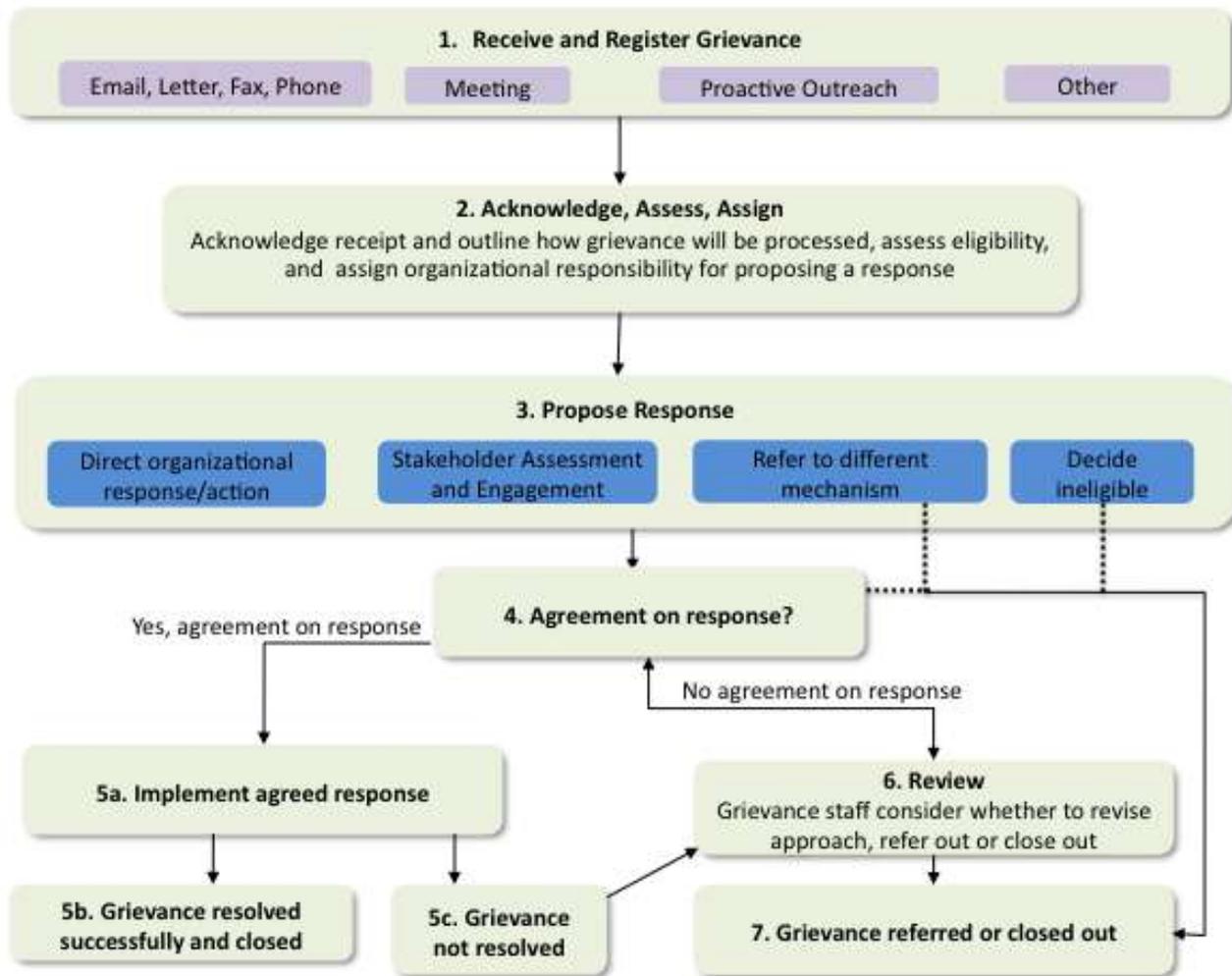
f. Rights compatible: ensuring that outcomes and remedies accord with internationally recognized human rights. Grievances are frequently not framed in terms of human rights and many do not initially raise human rights concerns. Regardless, where outcomes have implications for human rights, care should be taken to ensure that they are in line with internationally recognized human rights and they do not restrict access to other redress mechanisms designed specifically to address human rights concerns.

g. Enabling continuous learning: drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms. Regular analysis of the frequency, patterns and causes of grievances, strategies and processes used for grievance resolution, and the effectiveness of those strategies and processes, can enable the institution administering the GRM to improve policies, procedures and practices to improve performance and prevent future harm.

h. Based on engagement and dialogue: consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances. For an operational-level grievance mechanism, engaging regularly with affected stakeholder groups on the GRM's design and performance can help to ensure that it meets their needs, that they will use it in practice, and that there is a shared interest in ensuring its success.

4. What does a GRM typically look like?

The diagram below shows typical steps in a grievance resolution process, which can be tailored to the particular institutional context, capacities and concerns of national government agencies and their stakeholders.

1. Receive and Register Grievance
Email, Letter, Fax, Phone   Meeting   Proactive Outreach   Other

2. Acknowledge, Assess, Assign
Acknowledge receipt and outline how grievance will be processed, assess eligibility, and assign organizational responsibility for proposing a response

3. Propose Response
Direct organizational response/action   Stakeholder Assessment and Engagement   Refer to different mechanism   Decide ineligible

4. Agreement on response?
Yes, agreement on response
No agreement on response

5a. Implement agreed response

6. Review
Grievance staff consider whether to revise approach, refer out or close out

5b. Grievance resolved successfully and closed

5c. Grievance not resolved

7. Grievance referred or closed out

Following is explanation and guidance on these steps.

1. Receive and register grievance

The organization should enable aggrieved stakeholders ("complainants") to communicate their grievances to the organization through a variety of channels (e.g. phone, letter, email, Web site, meeting, etc.). Designated staff at the site or local level should be empowered to receive grievances and take initial steps in responding to them. It is also essential for the organization to establish a centralized database supported by a central office/staff, and to require that all grievances received be logged into that database using a common protocol and means of recording grievances received. Centralized logging and tracking is important both for accountability and for enabling continuous learning.

While recognising that many complaints may be resolved 'on the spot' and informally by project staff, there are still opportunities to encourage these informal resolutions to be logged into a GRM database to (i) encourage responsiveness; and (ii) ensure that repeated or low-level grievances are being noted in the system.

2. Acknowledge, Assess, Assign

Acknowledging receipt: The staff who have received the grievance, or a central grievance office, should provide a timely communication back to the complainant(s) that their grievance has been received, will be logged and reviewed for eligibility, and if eligible, will generate an initial organizational response. Normally, initial acknowledgement should come within 3-5 days of receipt, and can be in the form of a standard letter or email, with a clearly identified point of contact in the organization, a brief description of the process that will be followed, and a reference name or number for the complaint. Where those receiving the complaints for the organization are themselves authorized to log the complaint, they can immediately acknowledge receipt and logging of the complaint, and inform the complainant of the procedure for assessing eligibility and generating an initial response.

Assessing eligibility for the GRM: This should be a procedural step to ensure that the issue being raised is relevant to the REDD+ program. It is often better to ensure a relatively low barrier to entry with quick turn-around rather than to prevent users having their issues considered. A decision on eligibility is only meant to trigger an initial organizational assessment and response. It is not an admission that the organization has caused an impact, or a commitment to provide the complainant with any specific form of redress. The staff responsible for the initial response need to follow clear guidelines on what kinds of issues are eligible to be handled through the organization's GRM, what issues should be referred to other mechanisms (such as internal audit departments, internal and external anti-corruption offices, police, etc.), and what issues or contexts may not be eligible for an organizational response.

Those assessing eligibility also need to decide whether the complaint actually should be directed to a different office within the organization, or to a different organization altogether. For example, complaints alleging economic impact as a result of corrupt procurement procedures may need to be referred immediately to the organization's own internal audit department, and/or to an external anti-corruption office.

Eligibility is often determined on the basis of four broad criteria:

1. Does the complaint indicate that the program has caused a negative economic, social or environmental impact on the complainant, or has the potential to cause such an impact?
2. Does the complaint specify what kind of impact has occurred or may occur, and how the program has caused or may cause that impact?
3. Does the complaint indicate that those filing the complaint are the ones who have been impacted, or are at risk of being impacted; or that those filing the complaint

are representing the impacted or potentially impacted stakeholders at their request?[3]

4. Does the complaint provide enough information for GRM staff to make a determination on the first three questions?

Assigning organizational responsibility: Complaints should be referred to the most appropriate institution or individual. This referral process will likely depend on the type of issue raised and whether it is low or high risk. A simple categorization of complaints – i.e. type of issue raised and the effect on the environment/claimant if the impacts raised in the complaint were to occur - may support faster referral to the appropriate party. The process of assigning cases is generally more successful when it is done with the agreement of the user.

3. Develop a proposed response

GRMs typically generate three primary types of response to complaints:

- Direct action to resolve the complaint
- Further assessment and engagement with the complainant and other stakeholders to determine jointly the best way to resolve the complaint
- Determination that the complaint is not eligible for the GRM, either because it does not meet the basic eligibility criteria, or because another mechanism (within the organization or outside it) is the appropriate place for the complaint to go.

The person/team responsible for crafting a response needs to determine whether the grievance can be addressed directly through a relatively simple action; or whether the grievance is complex enough that it requires additional assessment and engagement with the complainant and other stakeholders to determine how best to respond.

Many complaints can be resolved through direct and relatively straightforward action on the part of the organization or program: e.g. investigating alleged damage caused by a vehicle; changing the time and location of a consultation; making public information more accessible in a community.

In other cases, further assessment involving multiple stakeholders and issues, and potentially an extended process of joint fact-finding, dialogue and/or negotiation, will be necessary to resolve the complaint. In these cases, the GRM should propose a *stakeholder assessment and engagement process* to respond to the complaint (see steps 4 and 5 below).

4. Communicate proposed response to complainant and seek agreement on the response

The GRM is responsible for communicating the proposed response back to the complainant in a timely fashion, in writing (in language that is easily accessible to the complainant). Responders may also contact the complainant by telephone or set up a meeting to review and discuss the

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[3] In practice, there is a range of views on the question of representation of affected stakeholders in filing complaints. There are some GRMs that require those directly affected to file the complaint, and do not accept complaints filed by representatives. Other GRMs accept representation, on the grounds that some directly affected stakeholders need substantial technical and/or advocacy support to navigate the GRM.

initial approach with the complainant. The response should include a clear explanation of why the response is being proposed; what the response would be; and what the complainant's choices are, given the proposed response. Those choices may include agreement to proceed, request for a review of an eligibility decision or a referral decision, further dialogue on a proposed action, or participation in a proposed assessment and engagement process. In addition, the response should note any other organizational, judicial or non-judicial but official government avenues for redress that the complainant may wish to consider.

Though practice varies, communication of the proposed response should normally occur within 14-21 days from receipt of a complaint. In the case of complaints alleging serious harm or risk of harm, and/or serious rights violations (death, serious injury, risk of violence, major loss of livelihood or housing, denial of basic political or civil rights), the GRM's standard operating procedures should call for a fast-track response, whether by the GRM or by immediate referral to another office or organization and immediate notification of the complainant of that referral.

The complainant may or may not agree with the proposed response. If there is agreement, then the organization can proceed with its proposed response, whether direct action, further assessment, or referral. If the complainant challenges a finding of ineligibility, rejects a proposed direct action, or does not want to participate in a more extensive process of stakeholder assessment and engagement, the GRM staff need to clarify the reasons why the complainant does not accept the proposed response, provide additional information, and, where possible, revise the proposed approach.

If there is still not agreement, GRM staff need to make sure the complainant understands what other recourse may be available, whether through the judicial system or other administrative channels, and to document the outcome of the discussions with the complainant in a way that makes clear what options were offered and why the complainant chose not to pursue them.

For sensitive and challenging cases, the GRM may seek agreement to use independent assessment and mediation or adjudication to seek appropriate resolution of the case. If independent mediation is used, it may be appropriate to set up joint oversight of the mediation process by senior representatives of key stakeholders (e.g. government, international partners, communities, NGOs, and/or businesses involved), to ensure the mediator's impartiality and to provide strategic oversight of the process.

5. Implement the response to resolve the grievance

When there is agreement between a complainant and the GRM to move forward with the proposed action or stakeholder process, then the response should be implemented.

In the cases where the initial response is to initiate broader stakeholder assessment and engagement, the assessment process may be conducted by GRM staff themselves, or by consultants or others perceived as impartial and effective by the organization, the complainant and other stakeholders. The main purpose of the assessment and engagement process is to clarify:
- The issues and events that have led to the complaint
- The stakeholders involved in those issues and events

- The stakeholders' views, interests and concerns on the relevant issues
- Whether key stakeholders are willing and able to engage in a joint, collaborative process (which may include joint fact finding, dialogue and/or negotiation) to resolve the issues
- How the stakeholders will be represented, and what their decision making authority will be
- What work plan and time frame the stakeholders could use to work through the issues
- What resources they will need, and who will contribute them

In some cases, the stakeholder assessment will produce clarity and agreement among the key stakeholders on a collaborative approach to resolving the issues raised in the complaint. In others, the assessment may determine that one or more key stakeholders are unable or unwilling to participate. Whether or not a collaborative process appears viable, the GRM staff needs to communicate the assessment findings to the complainant and other stakeholders, with a recommendation on whether and how to proceed.

If a collaborative approach is possible, then GRM staff is usually responsible for overseeing it.[4] GRM staff may directly facilitate the stakeholders' work on the issues, contract with a consultant facilitator, or use traditional and local consultation and dispute resolution procedures and leaders/facilitators.

If the engagement process produces agreement on actions to resolve the complaint, then the GRM staff is responsible for overseeing implementation of those actions. In a multi-stakeholder context, several actors may be involved in the solution. It is important for GRM staff and the stakeholders to monitor implementation jointly, and to "come back to the table" when needed to deal with challenges during implementation.

6. Review the response if unsuccessful

As noted above, in some cases it may not be possible to reach agreement with the complainant on the organization's proposed response. In a multi-stakeholder dispute, an assessment process may lead to the conclusion that a collaborative approach is not feasible. When a collaborative approach is used, good faith efforts may not succeed in resolving key issues. In any of these situations, the GRM staff should review the situation with the complainant, and see whether any modification of the response might meet the concerns of the complainant, the organization, and other stakeholders (see step 4 above). If not, the GRM staff should inform the complainant about other alternatives that may be available, including the use of judicial or other administrative mechanisms for recourse. Whatever alternative the complainant chooses, is important for GRM staff to document their discussion with the complainant and the complainant's informed choice among alternatives.

7. Close out or refer the grievance

The final step is to close out the grievance. If the response has been successful, the GRM staff should document the satisfactory resolution. In cases where there have been major risks,

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[4] As noted above, for highly complex and sensitive cases, senior stakeholder representatives may oversee an independent mediation process.

impacts and/or negative publicity, it may be appropriate to include written documentation from the complainant indicating satisfaction with the response. In others, it will be sufficient for the GRM staff to note the action taken and that the response was satisfactory to the complainant and the organization. In more complex and unusual grievance situations, it may be useful to document key lessons learned as well.

If the grievance has not been resolved, GRM staff should document steps taken, communication with the complainant (and other stakeholders if there has been substantial effort to initiate or complete a multi-stakeholder process), and the decisions made by the organization and the complainant about referral or recourse to other alternatives, including legal alternatives.

In general, GRM documentation on particular cases should maintain confidentiality about details, while making public aggregate statistics on the number and type of complaints received, actions taken and outcomes reached. It may be appropriate in some cases to make basic information about the identity of complainants publicly available, with the consent of the complainant.

Accurate case documentation using an electronic database is essential for public accountability, organizational learning, and resource planning. Therefore, closing a case is both a formal way to account for the response to a particular grievance, and a critically important moment for ensuring that key information and lessons are captured.

5. GRM at Readiness versus Implementation: What is the Difference?

The Readiness phase is preparation for the Carbon Fund. Thus, the same GRM built for the Readiness stage needs to work for the Carbon Fund. Setting up and operating a GRM is a continuous improvement effort; while countries commit to putting in place a GRM by the end of the Readiness phase, it is expected that they will continue to strengthen and improve this GRM during Implementation. Furthermore, the issues addressed during Readiness and Carbon Fund will be different. **Before the ERPA is negotiated, it is expected that countries will have completed the following:**

> (i) **Assessment of existing GRMs completed and made public**
> (ii) **Procedure for grievance redress that meets process essentials is made public**
> (iii) **Plan for continuous improvement is released along with a commitment to implement**

6. What types of issues will come up during Readiness versus Implementation?

Addressing complaints relating to Readiness preparation activities. The complexity of issues and diversity of actors involved may lead to numerous questions, inquiries, and grievances about the REDD+ Readiness strategy and process. At this stage, complaints may arise relating to (i) adequacy of participation; (ii) prior disclosure and lack of appropriate information; and (iii) the detailed implications of the proposed policy framework. Prevention and resolution of these types of issues should happen through the consultation and participation processes that are already in place, including the SESA and R-PP processes.

Countries should use the Readiness phase to identify, assess and strengthen existing spaces for resolving grievances, using the dedicated funds set aside for this purpose ($200,000 per country). It is not anticipated that countries will have a "gold-standard" GRM up and running during the Readiness Phase. Rather, countries should use the Readiness Phase to assess and improve existing systems, with the goal of strengthening their ability to respond to the operational issues that will arise during the carbon fund Implementation stage.

Anticipating and getting ready for disputes/complaints during Implementation. During readiness, the REDD+ program can better anticipate the kinds of grievances that are likely to arise around how REDD+ policies and mechanisms are being operated on the ground (e.g. are the beneficiaries receiving what the law says and through accessible mechanisms? Are some people disputing the right to benefits in a given territory?).

The REDD+ process is unlikely to resolve complex issues such as land tenure independently, but it can be used to highlight the significance of the issue, assist governments and other stakeholders to develop strategies for preventing and resolving tenure disputes, and improve processes for land allocation in such a way as to reduce the likelihood of conflict. So, investments to build capacity that strengthens or creates locally credible grievance redress mechanisms will be helpful. Ultimately, governments and other national partners should pursue improvements in grievance redress during the Readiness phase that will be beneficial regardless of whether carbon funds are ultimately available.

7. How can governments and other national partners establish and strengthen GRMs in the Readiness phase?

Establishing and strengthening national GRMs requires effective capacity development. The goal is to establish or improve the GRM's institutional performance, in order to reduce negative impacts and increase the REDD+ program's positive contributions to people's lives.

A **three-step process** is envisioned: (i) **identify potential grievances** and conflicts that may arise as a result of REDD+; (ii) **assess your country's existing capacity** to respond to and resolve those conflicts; and (iii) put in place an **action plan** to strengthen existing grievance capacity. Each of these steps can and should be accomplished within existing FCPF processes, consistent with FCPF commitments:

- **the SESA process is an opportunity to identify risks and potential grievances;**
- **the FCPF public participation and consultation processes are an opportunity to obtain feedback on existing grievance capacity and ensure this input is publicly disseminated;**
- **the MRV process is an opportunity to ensure public participation and feedback on your action plan and results of a GRM (for example, reporting on the numbers of grievances received and resolved)**

First, it is essential to understand patterns of grievances in the national forest sector, what processes are currently used to resolve those grievances, and how effective those processes are. Based on this assessment, national and international partners can jointly define performance outcome measures for grievance resolution. With agreement on what effective performance would look like, the focus should shift to capacity development: establishing or improving institutional arrangements, leadership, knowledge management, and accountability systems.

Following is a brief summary of key steps that national and international partners can take to assess and strengthen GRMs. (See also the table "Assessing and Strengthening National Grievance Mechanisms, Annex 2.)

4.1 Review and analyze the historical and current context for grievances in the forest sector, and characterize current grievance patterns and trends

The first step is to understand the historical and current context for grievances in the forest sector. This contextual understanding provides the basis for:
- forecasting the kinds of issues that are likely to be at the heart of grievances related to REDD+, such as clarity over resource property or tenure rights, benefit distribution, cross-sectoral competing interests, decision-making processes, and opposing views over market-based solutions to environmental problems.
- mapping the key *stakeholders* for each of these issues; their current interests and perceptions of the issues; and the history and currents state of their interaction on the issues (e.g. constructive, polarised, absent, etc). Attention should be paid to the local dispute resolution culture and, particularly, to the capacity and track-record of stakeholders to settle disputes through constructive dialogue, negotiation and problem solving.
- identifying current systems and capacities available to address grievances, as a basis for more detailed assessment of existing GRMs and other institutional capacities that national partners are most likely to need to respond to those grievances.

When there is an existing agency with a track record of receiving grievances and seeking to resolve them, then it should also be possible to review patterns of grievances: their frequency, profile of complainants, types of issues raised, responses used, their effectiveness and efficiency, and perceptions of their legitimacy and fairness. It is also important to identify and characterize grievances that could in principle be handled through the agency's GRM, but in practice are being resolved using other formal or informal recourse mechanisms. This baseline information should inform further assessment of the GRM's performance, and the main factors affecting performance.

4.2 Assessing strengths and gaps

It is seldom the case where there is no local GRM in place, no matter how weak it may be. The review should cover the availability, credibility, capabilities of *local and national institutions* to address the issues that are at the heart of REDD+-related grievances. For each of the institutions that are expected to deal with these issues, there will be a credibility assessment. **A sample GRM evaluation tool is attached as Annex 1.** Additional information on *how* to do this is described below.

Transparency, accessibility and predictability can be assessed by surveying actual and potential users to assess their level of awareness and understanding of the GRM; their perceived and experienced ease or difficulty of gaining access to it; and the extent to which procedural guidelines on key steps, time frames, documentation, and other standard elements are actually followed in practice. Transparency should also be assessed in terms of the public availability and accessibility of documentation of the GRM's mandate, procedures, and case experience (using aggregated statistics and qualitative descriptions).

Legitimacy, equity and rights compatibility can be assessed through a combination of institutional assessment (e.g. clarifying the level of independence of the GRM staff from agency line managers who may be directly involved in grievances), and stakeholder surveys and interviews, to clarify the range of stakeholder views of the GRM's independence, credibility as a vehicle for grievance resolution, fairness of process and outcomes, and recognition of the legal and human rights of stakeholders involved in grievances. Review of documentation on a sample of cases, and direct observation of several cases, can also inform the assessment of independence, equitable treatment of stakeholders, and respect for rights.

Stakeholder engagement and dialogue can be assessed at two levels: design and oversight of the GRM; and processes used for grievance resolution. Assessment of stakeholder engagement in design and oversight should consider whether multi-stakeholder consultation mechanisms, processes and/or advisory bodies are established, and look at the evidence on whether and how their advice has influenced decision making about the GRM's goals, principles or actual operations. The use of voluntary, dialogue based processes for individual complaints is best assessed through a combination of case record review, interviews with past and current participants in cases that the GRM seeks to resolve, and direct observation of a set of cases.

Continuous learning by the organization operating the GRM can be assessed by reviewing the history of decisions on its design and operation, seeking evidence that data and analysis about the actual operation of the GRM influenced decision making. Evidence can also be gathered about the extent to which there is ongoing management review of data and records, and the extent to which that review influences current production of new guidance and assessments. Interviews with current and former GRM leadership to explore how they learned from operational experience and how that learning led to changes over time in GRM's goals and/or operations can also inform the assessment of organizational learning capacity.

Based on the contextual assessment, and the assessment of current GRM strengths and gaps, national and international partners should be able categorize a) primary issues with high REDD+ grievance risks; and b) national institutional capacity to address those risks. Where capacity and credibility of national institutions are low and the stakes are high, the risk of grievances going unaddressed will be significant. A risk analysis table like the simplified, illustrative one below can be a helpful tool.

		How High is Institutional Capacity?			
		Local Community Boards or Councils	National Courts	National Human Rights Commission	National Ombudsman
How high are risks?	Property/Tenure disputes	High risk/ medium capacity	High risk / Low capacity	High risk/ High capacity	
	Benefit Sharing	Etc.			
	Participation in Decision-making				

Finally, where a new GRM must be set up, this type of risk/capacity mapping should drive the process of defining the GRM's goals, institutional form, structure and performance measures.

The process of establishing a new GRM should involve government and international partner representatives, representatives of potential GRM users, and representatives of any civil society, business or other groups with a stake in the GRM's design and operation.

4.3 Develop a joint plan for building on strengths and closing gaps

Building directly on the strength and gap assessment, national and international partners should create a plan to improve the performance of the GRM. The Readiness Stage of REDD+ is expected to review and address agency and sectoral policies, programs and actions that may be triggering grievances, along with the design, operation and resources of relevant agency GRMs. Changes to a GRM that do not address the underlying agency drivers of grievance may not be viewed as legitimate or credible by GRM users or other external stakeholders.

The planning process should strive to produce agreement on the changes in agency policies, programs and actions, and in the design, operation and resourcing of the GRM, that would most substantially contribute to a reduction in grievances and in more effective resolution of grievances when they occur. The plan may include

- policy, regulatory, procedural and leadership changes to reduce the risk of grievances and address perceived limitations in the GRM's legitimacy, equity and/or rights-compatibility;
- changes in GRM procedures, reporting lines and accountability mechanisms, allocation of additional resources, and/or reallocation of existing resources to address limitations on access, transparency and predictability;
- staff development to build skills in grievance resolution, institutionalize knowledge capture and transfer, and promote continuous learning;
- changes in structures, procedures and practices for stakeholder engagement and oversight, to promote ongoing dialogue and joint commitment to grievance prevention and resolution among agency managers, representatives of GRM users, and other relevant external stakeholders;
- other strategies and actions necessary to reduce the risk of grievances and improve GRM performance.

4.4 Implement the plan with joint organizational and external stakeholder participation and monitoring, and refine based on lessons learned.

As grievances come in and are addressed, the national government agency or REDD+ program office hosting the GRM should gather data and discuss progress with users and external stakeholders as part of a commitment to joint learning and continuous improvement. Lessons learned and patterns identified should result in ongoing refinement of agency/office procedures, leadership, knowledge management, accountability mechanisms, budgets and/or human resources devoted to the GRM.

For additional information on grievance redress mechanisms in the context of REDD+, please see the FCPF website: http://www.forestcarbonpartnership.org/node/821

Annex 1: GRM Evaluation Tool

Note to User: This is a checklist of questions that can be used to help evaluate an existing grievance redress mechanism. The questions should be used to guide a discussion with the goal of identifying areas that are working well and areas that need improvement.

Questions to Consider		
Design Stage		
Why did you include a Grievance Redress Mechanism (GRM) in your project? Where/how did you locate the GRM? How did you determine it would be effective? Was the GRM designed with participation from the communities it is intended to serve?		
Implementation Stage		
1. Organizational Commitment	Do the project's management and staff recognize and value the GRM process as a means of improving public administration and enhancing accountability and transparency? Is grievance redress integrated into the project's core activities? Is grievance redress integrated into staff job descriptions and responsibilities? Is it appropriately resourced and monitored?	
2. Principles:		
2.1 Legitimacy	Does the GRM operate independently of interested parties? Is the GRM widely-perceived as independent?	
2.2 Accessibility	Is the GRM accessible to all stakeholders, irrespective of their remoteness, language, education or income level? Are procedures to file grievances and seek action easily understood by project beneficiaries? Can grievances be filed anonymously? Are there a range of contact options? Is the GRM appropriately advertised and communicated to project-affected people?	
2.3 Predictability	Is the GRM responsive to the needs of all complainants? Does the GRM offer a clear procedure with time frames for each stage and clarity on the types of results it can (and cannot) deliver?	
2.4 Fairness	Are grievances treated confidentially, assessed impartially, and handled transparently?	
2.5 Rights Compatibility	Are the GRM's outcomes consistent with applicable national and international standards? Does it restrict access to other redress mechanisms?	

2.6 Transparency	Are the GRM's procedures and outcomes transparent enough to meet the public interest concerns at stake?	
2.7 Capability	Do GRM officials have the necessary technical, human and financial resources, means and powers to investigate grievances?	
3. Staff	Are there dedicated and trained staff available to handle the GRM? Are they given learning opportunities and do they receive any systematic reviews of their performance?	
4. Processes:		
4.1 Uptake	Do multiple uptake channels exist?	
4.2 Sorting and processing	Is there a system to categorize, assign priority, and route grievances to the appropriate entity?	
4.3 Acknowledgement and follow-up	Are complaints acknowledged in writing? Does the acknowledgement outline the GRM process, provide contact details and indicate how long it is likely to take to resolve the grievance? Are there clear timetables that are publicly available?	
4.4 Verification, investigation and action	Is the merit of each grievance judged objectively against clearly defined standards? Are investigators neutral or do they have a stake in the outcome? Is action taken on every grievance?	
4.4 Monitoring and Evaluation	Is there a process to track grievances and assess progress being made to resolve grievances? Are there indicators to measure grievance monitoring and resolution? If there is data being collected, is this data used to make policy and/or process changes to minimize similar grievances in the future?	
4.6 Feedback	Does a user survey exist to get feedback on the credibility of the process? Is such feedback publicly available? Is there right to appeal? If yes, are GRM users informed about this right?	
4.6. Analysis	Is there a process to analyze the effectiveness of the GRM? Is there a timeframe?	

Annex 2
Assessing and Strengthening National GRMs: Key Steps, Stakeholders, Questions and Information Sources

GRM capacity development step	Primary stakeholders to engage	Key questions	Sources of information; other resources needed
Review and analyze GRM context; characterize current grievance patterns and trends	• Agency leaders • GRM staff • GRM users (actual and potential) • External experts (academics, journalists, consultants etc.) • Other external stakeholders affected by the agency's programs and operations (e.g. public interest groups, community associations, related government agencies, business associations)	• History of grievances directed at the agency? • Evolution of agency responses? • Stakeholder perceptions of the agency's responses? • Recent/current grievances: number, frequency, type, responses, outcomes; trends? • Agency policies, programs and actions associated with grievances? • Organizational, political, social and economic factors driving grievances and responses?	• Grievance-related legislation, policy, regulations, procedures • Agency historical records • Academic analyses, news articles, consultant and NGO studies • Agency case records/database • Stakeholder interviews • Review of agency policies, programs and actions associated with grievances
Review or define GRM goals and principles; identify potentially conflicting agency policies, procedures and actions	• All of the above • Legislators and senior government officials	• GRM goals and operating principles? • Legal and policy basis? • Alignment with national and international good practices? • Tensions with agency policies, programs and actions that trigger grievances? • Opportunities to clarify and/or align GRM and other agency goals with good practice?	• GRM enabling legislation, policy, regulations, procedures • National law, policy and practice governing other GRMs • UNDP guidance and references to international good practice standards • Stakeholder interviews and joint workshops
Assess current processes for grievance resolution	• Agency leaders • GRM staff • GRM users • External experts	• How closely do current practices conform to law, policy and regulations? • How well do current practices meet key performance criteria: ○ transparency, accessibility,	• review of agency and external evaluations • user surveys • site visits • review of random sample of case files

		predictability, legitimacy, equity, rights compatibility, stakeholder dialogue, continuous learning? o other national and international guiding goals/principles?	•direct observation •stakeholder interviews
Identify current institutional strengths and capacity gaps	•Agency leaders •GRM staff •GRM users •External experts	•Key drivers of current performance? o agency policies and procedures, leadership, accountability, resources, knowledge management o GRM user awareness, empowerment, resources o Other external factors (e.g. legislation, political, economic and social context)	•Qualitative and quantitative analysis of information on current practices •Stakeholder interviews and workshops
Develop a joint plan for building on strengths and closing gaps	•Agency leaders •GRM staff •GRM users •External experts •Other external stakeholders	•What changes within the agency (including changes to policies, procedures and actions that trigger grievances), and/or among current and potential GRM users, will have the most positive impact on performance? •Who needs to decide, support, implement and monitor these changes?	•Collaborative planning process with stakeholders •National and international benchmarking and experience sharing •Pilot testing
Implement the plan with joint organizational and external stakeholder participation	•All of the above •Legislators and/or senior government leaders as appropriate	•What actions will agency and external actors take to make the changes needed?	•Agency/government authorization and leadership •Implementation plan •Budget and non-budget resources (e.g. qualified staff; NGOs specializing in community outreach)
Jointly monitor, evaluate and learn from	•All of the above	•How is implementation of changes affecting performance? •What other factors are affecting	•Case tracking and review •User and GRM staff surveys

implementation		performance?	
Refine the GRM based on joint learning	• All of the above	• How can the GRM be further improved based on learning from monitoring and evaluation?	• Collaborative stakeholder planning • Agency/government authorization and leadership • Implementation plan • Budget and non-budget resources

Liberia

The REDD+ team looked early into *<u>existing and potential risks</u>* related to land and forestry management and found:

- Overlapping and contested land claims
- Data availability and verification
- Ongoing land policy reforms
- Private Use Permits
- Past history of conflict

Next, they looked at what *<u>institutions</u>* already exist in Liberia to address these risks. At the non-government level, these include:

- Traditional methods for resolving disputes (Palava)
- Community Forestry Development Committees
- Local mediators (trained by Norwegian Refugee Council)
- Land Coordination Centers (in development)

The REDD+ team developed an *<u>action plan</u>* to:

- Embed grievance into the existing FCPF system by adding grievance responsibilities to the TORs for the SESA and REDD+ Coordinators;
- Mandate the national steering committee or the REDD+ Technical Working Group with handling more serious grievances;
- Commission a study to explore, together with national stakeholders, the development of a sustainable, sector-based grievance mechanism.

Mexico

Mexico wanted to ensure it had a functioning grievance mechanism in place during the FCPF consultation phase, versus building a GRM that would only function once carbon funds were flowing. Thus their *risk assessment* carefully distinguished between the types of risks likely to arise in each phase (i.e. Readiness and Implementation, or carbon finance). The next step was to map out existing capacity. Their *capacity assessment* found three different entities within the national forest agency that handled grievances:

- one unit receives complaints about poor performance or corruption among public servants;
- another unit handles requests for general public information;
- a third unit handles information requests on forest department operations.

To determine what was working well and what needed to be improved, the Mexican forest agency convened a workshop evaluated the existing capacity against specific criteria (using the World Bank's "GRM Evaluation" tool) to assess where the gaps were. They shared this evaluation with all participants and used it to guide a discussion on *next steps*. Ultimately, they agreed to:

- Centralize GRM functions in one unit and put in place processes for referrals from the other units;
- Create a mandate for the centralized GRM to handle all forest department issues – not just grievances related to FCPF;
- Link the informal grievance work being done in the field to the central system;
- Create a centralized database of grievances with monitoring and reporting systems.