The World Bank's Approach to
Grievance Redress in Projects

Dispute Resolution
& Prevention

THE WORLD BANK

Background and Purpose

The World Bank is committed to enhancing opportunities for grievance redress, collaborative problem solving, and alternative dispute resolution on the projects it supports. Effectively addressing grievances from people impacted by World Bank projects is a core component of managing operational risk. Grievance redress mechanisms (GRMs) can be an effective tool for early identification, assessment, and resolution of complaints on projects. Understanding when and how a GRM may improve project outcomes can help both project teams and beneficiaries improve results.

The business case for such an approach is strong—many major infrastructure projects around the world are stalled due to disputes over land, water, or labor issues. The costs of ignoring such disputes—or responding too late—are high. A core characteristic of an effective grievance mechanism is the ability to identify minor community incidents before they escalate into unmanageable disputes. This is especially important for development projects, where support from impacted communities is critical to success.

The World Bank Executive Board and senior management are supporting more effective approaches to problem solving to help strengthen the Bank's performance and development outcomes. OPCS has taken the lead in coordinating this strengthened corporate approach[1] focusing on a preventive approach to identify, track and resolve grievances early; and offering lower-cost, rapid citizen redress at the project and country level through mediation, facilitation or other problem solving processes where it is most needed. The Bank is not alone in this: across public and private sectors, in developed and emerging economies, organizations have increasingly institutionalized complaints handling and dispute resolution processes to better manage feedback and operational risks.

This note presents the World Bank's recommended approach to strengthening grievance capacity in Bank-supported projects.

Approach to Grievance Redress

The approach proposes three interlinked steps: (i) a risk-based assessment of potential grievances, disputes or conflicts that may arise during project preparation and implementation; (ii) identification of the client's existing capacity for grievance redress; and (iii) an action plan that identifies priority areas for strengthening grievance capacity, or if necessary, establishing new mechanisms at the project level. Where applicable, dedicated resources should be allocated for realistion of the action plan.

Step 1: Assessment of Risks and Potential Grievances and Disputes

The project team works with the client to conduct a rapid review of contentious issues, stakeholders, and institutional capacity, strongly relying on existing information from the client, civil society and other non-state institutions. The ESIA, ORAF, and/or RAP or IPP should provide the basis for much of this work.

The work will start by understanding the ***issues*** that are—or are likely to be—at the heart of disputes related to the project, such as clarity over land rights, benefit distribution, existing ethnic tension, or labor issues.

The review will map who the key ***stakeholders*** to these issues are and what the nature of the debate is (informed, polarised, etc). Attention will be paid to the local dispute resolution culture and, particularly, to the capacity and track-record of stakeholders to settle disputes through mediation or constructive negotiation.

Step 2: Capacity Assessment

The review will also cover the availability, credibility and capabilities of ***local and national institutions*** to address the issues related to the project or program. For each of the institutions that are expected to deal with these issues, there will be a credibility assessment, based on the following criteria:[2]

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[1] Through the Dispute Resolution and Prevention team (DRP).

[2] In reference to the report issued in 2008 by John Ruggie, the UN Special Representative of the Secretary General on Human Rights and Transnational Corporations and other business enterprises.

Risk Analysis Table

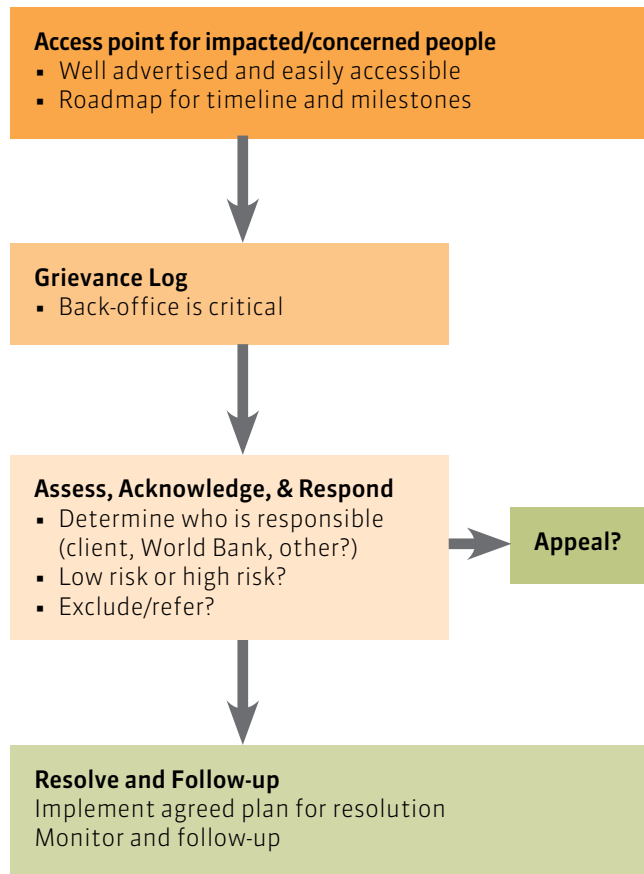|	Institutional Capacity			
	Local Community Boards or Councils	National Courts	National Human Rights Commission	National Ombudsman
Property / Tenure disputes	**High** / **Medium**	**High** / **Low**	**High** / **High**	
Benefit Sharing	Etc.			
Participation in Decision-making				

- **Legitimacy**: is its governance structure widely perceived as sufficiently independent from the parties to a particular grievance?
- **Accessibility**: does it provide sufficient assistance to those who face barriers such as language, literacy, awareness, cost, or fear of reprisal?
- **Predictability**: does it offer a clear procedure with time frames for each stage and clarity on the types of results it can (and cannot) deliver?
- **Fairness**: are its procedures widely perceived as fair, especially in terms of access to information and opportunities for meaningful participation in the final decision?
- **Rights compatibility**: are its outcomes consistent with applicable national and international standards? Does it restrict access to other redress mechanisms?
- **Transparency**: are its procedures and outcomes transparent enough to meet the public interest concerns at stake?
- **Capability**: does it have the necessary technical, human and financial resources to deal with the issues at stake?

Categorising both risks of disputes and institutional capacity to address those disputes is central to this approach. Where capacity of national institutions are low and the stakes are high, the risk of grievances going unaddressed will be significant. The risk analysis table is a helpful guide:

Issues and stakeholder reviews will be mostly desk-based and will initially and primarily rely on the information contained in the ESIA and other project documents. Review of institutional capacity will likely require both desk-work and in-country interviews with key stakeholders. A two-page "GRM Evaluation" that can be used to guide a discussion on the effectiveness of existing grievance capacity in a country is also available. The focus should remain on whether existing systems are credible *to the users*, i.e. beneficiaries and local citizens.

Step 3: Action Plan

Action plans will necessarily be project specific, but should focus on tangible steps that can be taken during preparation and implementation to strengthen grievance capacity more widely. A key emphasis is to explore opportunities and synergies for supporting improved sectoral or national capacity for addressing disputes that might arise from project-specific impacts.

Access point for impacted/concerned people
- Well advertised and easily accessible
- Roadmap for timeline and milestones

Grievance Log
- Back-office is critical

Assess, Acknowledge, & Respond
- Determine who is responsible (client, World Bank, other?)
- Low risk or high risk?
- Exclude/refer?

Appeal?

Resolve and Follow-up
Implement agreed plan for resolution
Monitor and follow-up

In practical terms, there are a small number of components for an effective institutional approach to grievance management:

Additional detail on each component is provided below.

Access Point / Complaint Uptake

> Have access points as close to the users as possible.

An easily accessible and well publicised focal point or user-facing 'help desk' is the first step. This can be within the relevant agency or government department, but must be in a location that is seen as credible and accessible. Uptake channels should include some or all of the following: phone hotline, email, mail, SMS, webpage, or face-to-face. The uptake channels should be publicized and advertised via local media, the implementing agency and—where relevant—contractors.

Staff members who receive complaints verbally should put them in writing for them to be considered. Recognising that many complaints may be resolved 'on the spot' and informally by project staff, there are opportunities to encourage these informal resolutions to be logged here to (i) encourage responsiveness; and (ii) ensure that repeated or low-level grievances are being noted in the system. The GRM should have the ability to handle anonymous complaints.

Typically, the user should be provided with a receipt and 'roadmap' telling him/her how the complaint process works and when to expect further information.

Grievance Log

It is important that all complaints are logged in writing and maintained in a database—either a simple Excel file or a publicly accessible web site (with appropriate steps taken to preserve anonymity). Complaints received should be assigned a number that will help the complainant track progress via the online system or database. Complainants should be handed a receipt and a flyer that describes the GRM procedures and timeline (staff should be trained to read this orally for illiterate complainants). Where possible, the grievance log should capture complaints being made via

informal or traditional systems, such as village councils or elders. This will often require training local people and putting in place a formal link between the traditional systems and a Bank-designed GRM (this could take the form of a verbal agreement or a written MoU).

> DRP and SDV staff can provide examples of GRM databases and off-the-shelf technology to build a database

At a minimum, the database should track and report publicly on the following metrics:

- # complaints received
- # complaints resolved
- # complaints that have gone to mediation

> GRM data should be included in the Bank's own supervision systems, including via ISRs and ICRs. The project team should discuss with the client the need to fully share the data with the Bank to allow the Bank to provide support where needed and help the client respond quickly and effectively.

The database should also show the issues raised and location of complaints circle around.

Assessment, Acknowledgment, and Response

Eligibility should be a procedural step to ensure that the issue being raised is relevant to the project. 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.

Complaints that cannot be resolved on the spot should be directed to the grievance focal point who will have a set number of days to assess the issue and provide a written response to the complainant, acknowledging receipt and detailing the next steps it will take (one week or less is recommended). The determination of whether the issue can be resolved on the spot or needs to be referred elsewhere requires some judgment on the part of the client—and, in some instances, the TTL.

Grievances should be categorised according to the type of issue raised and the effect on the environment/claimant if

the impacts raised in the complaint were to occur. Based on this categorisation, the complaint can be prioritised based on risk and assigned for appropriate follow up. For example, claims relating to land may be referred to an existing land claims court if this has been identified as a credible institution for resolving these disputes. The process of assigning cases is generally more successful when it is done with the agreement of the user.

The assessment of next steps should consider:

- **Who is responsible for responding to this grievance? Is it the client, the World Bank, or someone else?** It is anticipated that the majority of issues raised will be informational in nature or feedback that requires small course corrections; these should generally be handled by the client. Issues having to do with governance issues—at the client or by World Bank staff—should be addressed at a higher level, either an appeals or supervisory body within the client or senior management within the Bank. The 'tip of the iceberg' complaints will likely be those reflecting outright opposition to a

project or open conflict between stakeholders. These issues are unlikely to be resolved via a GRM and should be handled at the highest appropriate level within either the client country or the Bank. Higher risk issues will require greater independence to handle, whereas lower-level feedback can and should be handled "in-house," i.e. by the client.

- **What is the risk-level of this complaint?** Is it low risk, medium risk, or high risk? Ideally, the person or office handling the complaints will have been involved with (or aware of) the risk assessment process that may have been completed prior to putting in place the GRM (i.e. Steps 1&2 above). Some training will be required to ensure staff implementing the GRM are aware of what would constitute a higher-risk issue for the project and which entity should handle such a complaint.

- **Is the complaint already being addressed elsewhere?** If an issue is already being handled, for example by a local court or mediation body, or within the World Bank (for example by INT or the Inspection Panel), then the issue should most likely be excluded from the grievance redress process in order to avoid duplication and confusion on the part of the complainant.
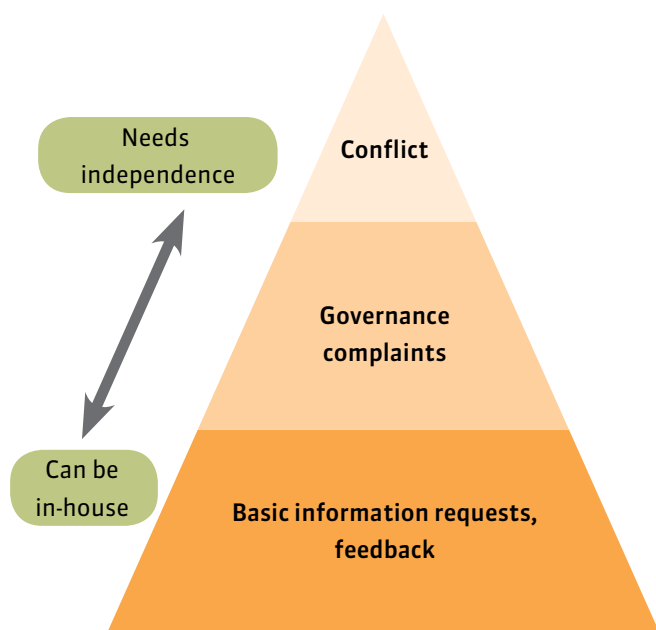
Once the above issues have been considered, the complainant should be offered option(s) for resolution of their issue. The option offered is likely to fall into one of the following three categories:

a. The complaint falls under the mandate of *(contractor/client)* and resolution can be offered immediately according to the request made by the complainant. The response will describe how and when resolution will be provided by *(contractor/client)* and the name and contact information of the staff member responsible for it.

b. The complaint falls under the mandate of *(contractor/client)* but various options for resolution can be considered and/or extraordinary resources are required.

Needs independence

Can be in-house

Conflict

Governance complaints

Basic information requests, feedback

The response will invite the complainant to a meeting to discuss these options.

c. The complaint does not fall or partially falls under the mandate of *(contractor/client)*. The response will indicate that the complaint has been referred to the appropriate body *(eg. Complaints related to resettlement will be forwarded to the Resettlement Committee)*, which will continue communications with the complainant.

Appeals

Where an agreement has *not* been reached, the complainant should be offered an appeals process. One approach is to refer appeals to the national courts or other suitable process. In some countries, the courts may not be seen as effective, in which case the Bank and client should discuss offices/individuals within the implementing agency that have a degree of independence from the project and are viewed as credible spaces to resolve higher-level disputes. In some instances, it is helpful to convene a senior and independent panel of individuals to seek appropriate resolution of the case, with representation from both government and civil society. This panel may also play the role of providing strategic oversight and assurance of the mechanism through reviewing monitoring and tracking data.

At this stage it may be helpful to offer third party fact-finding, facilitation or mediation. OPCS[3] maintains a roster of independent professionals located in the regions who are experienced with World Bank projects and can provide independent support on a contract basis. Costs will be paid by the project.

• If the complainant accepts the options, and an agreement is reached, implementation will be monitored by the mediation service and a minute will be signed signaling the complaint has been resolved.

• If the complainant does not accept these options or if he/she does but an agreement is not reached, the case will be closed. The complainant may seek redress through courts or other mechanisms available at the country level.

Resolve and Follow-Up

Where there is an agreement between the complainant and the client or contractor on how the complaint will be resolved, a minute will be drafted and signed by both parties. After due implementation of it, a new minute will be signed stating that the complaint has been resolved.

All supporting documents of meetings needed to achieve resolution should be part of the file related to the complaint. This should include meetings that have been escalated to an appeals level or are handled by a third party.

The client should provide regular (monthly or quarterly) reports to the public that track the # complaints received, resolved, not resolved, and referred to a third party. The World Bank project team should receive either the raw grievance data or the monthly reports, in order to support the client in early identification of developing risks. The GRM data should feed into ISRs and ICRs to demonstrate responsiveness and early resolution of issues (and help teams identify outstanding complaints in need of attention).

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[3] Contact disputeresolution@worldbank.org or go to Furl "disputeresolution" for further information.