Annex-2

Grievance Redressal Mechanism Guideline

2025

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Abbreviation:

TDF	:Town Development Fund
GRM	:Grievance Redress Mechanism
HR	:Human Resources
IGC	:Internal Grievance Committee
IAP	:Independent Appeals Panel
IGRC	:Institutional-Level Grievance Redress Committee
MGO	:Municipal Grievance Officer
NGO	:Non-Governmental Organization
CSO	:Civil Society Organization
FM	:Frequency Modulation (used in context of local FM radios)
ID	:Identification
SMS	:Short Message Service

1 Introduction

A grievance is a formal complaint or concern raised by an individual or group who believes they have been wronged or adversely affected by a decision, action, or inaction of an organization. Town Development Fund (TDF) recognizes that grievances may arise from stakeholders, including project beneficiaries, contractors, local municipalities, and affected communities related to TDF funded projects. This Grievance Redress Mechanism (GRM) guideline has been prepared to ensure that all concerns are heard, documented, and resolved in an efficient, transparent and fair manner through a well-defined system and process.

1.1 Objectives of this guideline

The objectives of this guideline are :

i. Promote transparency and responsiveness to build trust among stakeholders.

ii. Enable early identification and mitigation of issues to prevent potential grievances.

iii. Ensure objectivity and consistency in project selection and decision-making.

iv. Provide an accessible and structured mechanism for submitting and addressing grievances.

v. Facilitate prompt and effective resolution of complaints related to TDF-funded activities.

vi. Enhance institutional accountability and strengthen internal governance practices.

vii. Reduce the risk of project delays or disruptions through proactive grievance management.

viii. Guarantee confidentiality and protection of stakeholder rights throughout the process.

ix. Support equitable and sustainable development outcomes across all TDF-supported initiatives.

1.2 Types of grievances

The grievances have been classified as:

i. Internal Grievances: Complaints raised by TDF staff regarding workplace behavior, discrimination, performance evaluation, harassment, Human Resources (HR) related or other internal matters.

ii. External Grievances: Concerns raised by beneficiaries, contractors, communities and stakeholders regarding the planning, implementation, or outcomes of TDF-financed projects.

To ensure effective grievance handling, separate mechanisms have been designed for external and internal grievances. The complaints will be handled by the level above as defined in section 2.1 and 2.2, if is related to any representatives of that level or the related personal will be replaced by relevant personal in the committee.

2 . Institutional Framework and Roles

2.1 Internal Grievance Redress Structure

Level 1: Internal Grievance Handling

i. Grievances raised by TDF staff are first submitted to the Human Resources Division or the assigned person.

ii. The Human Resources Division or assigned person will attempt to resolve the grievance within 15 working days.

iii. If the grievance remains unresolved or the complainant is not satisfied with the resolution, the matter shall proceed to the Level 2 grievance redress process.

Level 2: Internal Grievance Committee (IGC)

i. This committee consists of three (3) members among the TDF staffs composed of Executive Director, representatives from Human Resources, Legal division or Finance division.

ii. The IGC shall review and provide a resolution within 15 working days.

iii. If the grievance remains unresolved or the complainant is not satisfied with the resolution, the matter shall proceed to the Level 3 grievance redress process.

Level 3: Independent Appeals Panel (IAP)

i. This panel comprises three (3) board members appointed by the Board.

ii. Final decisions are communicated within 30 working days.

2.2 External Grievance Redress Structure

Level 1: Project-Level Grievance Resolution

i. Each Local Government or project execution agency will appoint a Grievance Officer or Project-Specific Grievance Focal Person responsible for receiving and addressing complaints at the project level and prepare and follow the GRM relevant for each project.

ii. Alternatively, a committee can be formed by Local Government or project execution agency inclusive of representation from elected officials of local bodies.

iii. The focal person or the committee will attempt to resolve the grievance within 15 working days.

iv. If the grievance remains unresolved or the complainant is not satisfied with the resolution, the matter shall proceed to the Level 2 grievance redress process.

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Level 2: Institutional-Level Grievance Redress Committee (IGRC) at TDF

i. This committee consists of three (3) members among the TDF staffs composed of Executive Director, one member among the representatives from Human Resources or Legal or Finance division and may also one external expert.

ii. The IGRC shall review and provide a resolution within 15 working days.

iii. If the grievance remains unresolved or the complainant is not satisfied with the resolution, the matter shall proceed to the Level 3 grievance redress process.

Level 3: Independent Appeals Panel (IAP)

i. This panel comprises three (3) members appointed by the Board.

ii. The panel shall provide the resolution and may recommend alternative actions including arbitration or legal recourse.

iii. Final decisions are communicated within 30 working days.

3 Grievance Resolution Process

3.1 Step 1: Submission of Grievance

i. The following can lodge the complaints:
   a. Affected individuals, project beneficiaries, or community members.
   b. Contractors, workers, or suppliers involved in TDF projects.
   c. Other stakeholders.

ii. The following modes of submission can be used for lodging complaints.
   a. Online: TDF website grievance portal and/or email.
   b. Physical Submission: At Local Government offices, project sites, or TDF office.
   c. Toll-Free Helpline: Dedicated number for grievance submission.
   d. Anonymous Submission: Via suggestion boxes at project sites and TDF office.

3.2 Step 2: Grievance Registration & Acknowledgment

i. All complaints are lodged into the Grievance Database with a unique tracking ID with the information mentioned in Annex A.

ii. Complainants can track status through the portal or SMS or email or phone calls.

iii. Acknowledgment is sent within 3 working days of receipt.

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3.3 Step 3: Investigation & Resolution

The investigation will follow section 2 of this guideline. Alternatively, the grievances has been categorized into three (3) categories by relevant grievance handling officer or committee and the initial investigation can be directly referred to the level defined below:

i. Category 1 (Low-Risk): Minor issues (e.g., noise, minor delays, miscommunication, interpersonal misunderstandings) – to be resolved at the project level or by Human Resource Division or assigned person at TDF within 15 working days.

ii. Category 2 (Moderate-Risk): Social, environmental, or operational concerns (e.g., land disputes, workplace tensions, labor or HR issues) – referred to the Institutional Grievance Redress Committee (external) or Internal Grievance Committee (internal) and to be resolved in 15 working days.

iii. Category 3 (High-Risk): Complex or sensitive issues (e.g., legal disputes, corruption, fraud, harassment, serious violations of policy) – escalated to the Independent Appeals Panel and resolved within 30 working days.

The record of status of the investigation and resolution has to be maintained as per Annex B.

3.4 Step 4: Communication of Decision

i. The complainant is notified of the resolution in writing or through the preferred mode of communication.

ii. If unsatisfied, the complainant may write the unsatisfaction within 10 days of the notification or approach legal recourse.

   - Submit the unsatisfaction, which will be referred to the higher level
   - Approach legal recourse

iii. To the extent possible, the feedback form will be filled up by the complainant.

3.5 Step 5: Monitoring & Closure

i. TDF or the project implementing agency can monitor the resolved cases, even after the case has been closed.

ii. All the internal and external grievances registered and it's resolution will be analyzed and summarized by sector, risk and location, and reported annually, as included or detailed to Annex D, to the TDF Board by the focal person.

4 Awareness and Capacity Building

i. Regular training for grievance officers (including one trained woman officer per region).

ii. Community awareness campaigns using posters, local FM radios, and outreach events.

iii. Grievance services accessible to vulnerable groups, including persons with disabilities and marginalized communities.

5 7. Confidentiality and Non-Retaliation Policy

i. Complainant identities and all personal information are protected at all stages of the grievance process.

ii. Individuals lodging complaints are protected from any form of retaliation, intimidation, or discrimination.

iii. No retaliatory actions are permitted; any violations will result in disciplinary or legal action against the parties responsible.

6 Update and revision

This guideline can be updated, as appropriate. Revisions must be approved by the board and communicated to all internal and external stakeholders promptly.

7 Approval and Commitment

This guideline has been reviewed and approved by the TDF Board and is effective as of 2082/02/09.

Annex A: Required information for recording the Grievances

Name of Complainant (Optional): ______________________________

Gender: __ Male __ Female __ Other __ Prefer not to say

Contact Information (Phone/Email): ___________________________

Date of Complaint Submission: ______________________________

Location/Project/Department Concerned: ______________________

Type of Complainant: __ Project Beneficiary __ Contractor __ Staff __ Community Member __ Other (Specify): __________

Mode of Submission: __ In-person __ Email __ Phone __ Suggestion Box __ Other

Nature of Grievance: [ ] External [ ] Internal:

Assigned Tracking ID:

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Annex B: Investigation & Action Log Format

Grievance Tracking ID: ____________________

Date of Receipt: ___________________________

Investigating Officer(s)/Level: ____________________

Department/Unit: __________________________

Summary of Investigation Steps Taken:

- Interviews conducted:
- Documents reviewed:
- Site visit (if applicable):
- Other evidence:

Findings:

Recommended Resolution:

Responsible Authority for Action: ___________________________

Date of Resolution: _______________________________________

Status: __ Resolved __ Pending __ Escalated

Signature of Investigating Officer: __________________________

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Annex C: Resolution & Feedback Form

Grievance Tracking ID: ____________________

Date of Final Decision: ____________________

Resolution Summary:

Was the complainant informed? __ Yes __ No

Date Informed: ____________________________

Mode of Communication: ___________________

Feedback from Complainant (if available): __ Satisfied __ Partially Satisfied __ Dissatisfied

Comments:

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Annex D: Annual Reporting Template

Town Development Fund - GRM Annual Report Summary

Fiscal Year: ___________

1. Total Grievances Received: ________
   - Internal: ______
   - External: ______
2. By Category:
   - Category 1 (Low-Risk): ________
   - Category 2 (Moderate-Risk): ________
   - Category 3 (High-Risk): ________
3. Resolved Within Timeframe:
   - Within stipulated time: ________
   - More than stipulated time:
4. Resolved After Escalation:
   - IGRC/IGC Level: ________
   - IAP: ________
5. Key Issues and Trends:
6. Actions Taken to Improve GRM:
7. Summary of Stakeholder Feedback:

Prepared By: ____________________

Designation: _______________

Approved By: ____________________

Date: ______________________

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