

MANAGEMENT GRIEVANCE MECHANISM

IDB Invest values engagement, transparency, and accountability with individuals or groups that could be impacted by or have an interest in its projects. The Management Grievance Mechanism (MGM) is a new channel for individuals or groups to submit complaints related to environmental, social, or corporate governance issues of projects financed or being considered for financed by IDB Invest. The MGM is one of the three channels for addressing such grievances and concerns, as it follows:

1. PROJECT-LEVEL GRIEVANCE MECHANISM

When a project affects communities, IDB Invest requires its client to establish a Grievance Mechanism (GM) to address concerns and complaints of individuals and communities regarding the project's environmental and social performance. It represents an opportunity for companies and stakeholders to identify potential issues of concern to local communities and develop solutions directly in a participatory manner. The project-level GM is managed by project personnel who are better positioned to quickly resolve most types of grievances.

2. MANAGEMENT GRIEVANCE MECHANISM

The Management Grievance Mechanism (MGM) does not substitute a project-level mechanism but provides a new option to local communities and stakeholders seeking to raise a concern or complaint regarding an environmental, social, or governance issue on a project IDB Invest is financing or considering financing.

Stakeholders can use IDB Invest's

MGM at any time, especially if there is fear of retaliation or if a satisfactory outcome is not reached through the project-level GM. IDB Invest will ensure confidentiality. When possible, IDB Invest manages the MGM process in coordination with its client, which is responsible for assessing and mitigating adverse environmental and social impacts of an IDB Invest-financed project and implementing any proposed solution to a grievance raised in the MGM.

ELIGIBILITY CRITERIA

The MGM considers a complaint eligible if:

- The complaint is related to a project that is financed or being considered for financing by IDB Invest
- The complaint is related to environmental, social, and/or governance issues of the project

Requests that are not eligible for the MGM will be treated as requests for information and directed to our [Access to Information](#) channel.

Requests that are not eligible for the MGM because they are not related to a project the IDB Group is financing or considering financing will be closed with no further action. In either case, the claimant will be notified.

We accept written concerns or complaints in all of IDB Invest's official languages: Spanish, English, Portuguese, and French. We will use best efforts to translate requests received in other languages.

3. INDEPENDENT CONSULTATION AND INVESTIGATION MECHANISM (ICIM):

The ICIM is an independent mechanism responsible for evaluating if IDB Invest projects are following the organization's social and environmental policies and procedures. The ICIM

SUBMITTING A COMPLAINT TO THE MGM:



Online: We encourage stakeholders to submit their concerns or complaints through our web-based [Engagement and Response Platform](#).



E-mail to mgm@iadb.org



Mail or delivered by hand to IDB Invest headquarters located at 1350 New York Ave NW, Washington, DC 20005, or any of the [IDB Invest Country Offices](#).



Phone call at +1-202-312-4040

investigates complaints from stakeholders who consider themselves to have been harmed by projects financed by IDB Invest. Communities and other stakeholders can also access the ICIM at any time without the need to exhaust the MGM process should they feel the MGM process is not the appropriate platform to respond to the concerns raised.



MGM PROCESS

SUBMISSION

- The claimant submits a request using one of the channels available.
- The claimant will be notified that the request was received.

ELIGIBILITY (5 DAYS)

- IDB Invest will determine if the request is eligible.

ASSESSMENT (30 DAYS)

- IDB Invest will start an information-gathering process to collect information and analyze the concern or complaint.
- The claimant might be contacted to provide additional information or provide clarifications.
- IDB Invest might contact the client and other relevant stakeholders to collect additional information.
- The assessment will determine if the client could effectively address the concern by implementing concrete actions covered by existing client obligations or any other appropriate course of action.

RESPONSE

- If actionable, IDB Invest will develop a Proposed Response Course of Action (PRCA). The PRCA could be

developed in consultation with the client.

- If the claimant agrees with the PRCA, it will be implemented by the client and IDB Invest will monitor its implementation. In some circumstances, a PRCA could also be implemented solely by IDB Invest.
- If the claimant disagrees and provides comments, IDB Invest will develop a revised PRCA in consultation with the client that strives to address the comments.
- If not actionable or the claimant disagrees with the revised PRCA, IDB Invest will send a response offering to initiate ongoing engagement – a process of proactive dialogue between IDB Invest, the client, and the claimant.
- The duration, frequency, and scope of the ongoing engagement may change through time, based on the progress of the dialogue between IDB Invest, the client, and the claimant, or based on the status of the concern.

MONITORING

- IDB Invest will monitor the client's implementation of the PRCA, with the claimant's participation, or solely implement the PRCA.
- Once the client or IDB Invest has fully implemented the PRCA and the issue is resolved, IDB Invest will notify the claimant.
- Monitoring timeline and frequency will be established in the PRCA.

This engagement may complement other engagement processes that the project may have established with its stakeholders.

