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## Guide for Complainants / Communities

### ***What is the Independent Complaints Mechanism?***

DEG's goal is to promote private sector development in developing and transition countries. In order to achieve sustainable growth and lasting improvements in people's lives, we are committed to applying high internationally accepted standards to our own operations as well as to those of our clients.

Together with Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V., also known as the Netherlands Development Finance Company (FMO), DEG established the [Independent Complaints Mechanism](#) ("Mechanism") to give individuals and communities who believe to be adversely affected by operations financed by DEG the chance to raise specific issues and to assist in the resolution of those issues.

DEG has set up a Complaints Office to administrate and coordinate the work regarding the Independent Complaints Mechanism. The Mechanism is further supported by an Independent Expert Panel, which decides on the admissibility of a complaint and handles all subsequent processes. The Panel is formed of three international specialists with expertise and experience in mediation, social and environmental issues, as well as in supporting complaints mechanisms.

### ***Who can make a complaint?***

Any person living in the area of operations or who has an economic or other defined interest in the area may submit a complaint as long as he or she can demonstrate to be affected by the activities or impacts of operations financed by DEG. This can include workers, local communities or those whose livelihoods derive from the area of operations.

### ***Can someone represent me and/or my community?***

Yes. When an individual or an organization files a complaint on your behalf, that organization or representative should provide written evidence that you have given them authority to represent you.

### ***What can the complaint be about?***

The complaint could be about:

- Rights abuses, negative environmental, social and corporate governance effects or other detriments, which affect a complainant and are linked to the operations financed by DEG.

- A failure by DEG to comply with its own policies that are based on international standards and which are publicly available on DEG's website.

The Independent Complaints Mechanism cannot investigate:

- Complaints with the objective of gaining a competitive economic advantage or that are excessive, repetitive (i.e. covering the same aspects), clearly frivolous or malicious in nature;
- Anonymous complaints. Nevertheless, without prejudice, a complainant has the right to request for confidential treatment of the complaint.

If the Complaint concerns aspects like fraud, bribery, corruption and/or money laundering, the ICM will consult with the DEG's Compliance Unit and/or KfW whistle-blowing system to determine the appropriate channel(s) for processing the Complaint.

### ***How can I file a complaint?***

Complaints must be submitted in writing, by e-mail, post or using the online form provided at DEG's website. You may submit the complaint in English or any language of the complainant via:

eMail: [complaintsoffice@deginvest.de](mailto:complaintsoffice@deginvest.de)

mail/post: Complaints Office  
DEG-Deutsche Investitions – und Entwicklungsgesellschaft mbH  
Kaemmergasse 22  
50676 Cologne  
Germany

Website: [online form](#)

If the complaint is submitted in English, we will send you a confirmation of receipt within 5 working days. Complaints submitted in another language may require additional time for translation.

### ***What information do I need to include in my complaint?***

Please include the following information when you are submitting a complaint:

- Your name and contact information, including country of residence.
- If relevant, the identity and contact information as well as proof of the representative's authority to represent the complainant.
- The nature and location of the project in question and its name (if known).
- Information regarding the perceived harm or risk in as much detail as possible and how you are or could be affected by it. If you have any documents deemed relevant, please attach these to your complaint.

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- A description of the steps that have already been taken to address the perceived harm or risk or to resolve the dispute.
  - If relevant, provide an indication, which of its policies DEG has allegedly breached.
  - What you hope to achieve with your complaint - what resolution or remedy you are seeking.
  - Whether you wish your identity and/or the information provided to be kept confidential.

### ***How will you determine whether my request is admissible?***

The Panel will determine whether your complaint is admissible, based on the pre-defined admissibility criteria. The admissibility criteria are the following:

- The Complaint must contain allegations of (potentially) substantial, (in)direct and adverse impacts or risks;
- The complainant must be affected or likely to be affected by an operation financed by DEG. In case the complainant is representing others, it must identify the people it represents and explicit evidence of the representative authority must be provided;
- There must be an indication of a relationship between the operation financed by DEG and the alleged impacts;
- DEG must have or will have an active financial relationship with the client responsible for carrying out and implementing all or part of the operations relevant to the complaint;
- If applicable, other actions and consultations with relevant responsible parties to address or solve the Complaint have already taken place. This applicability will be determined by the Independent Expert Panel.

### ***Is the Mechanism applicable to all operations financed by DEG?***

In 2014 - in order to enable the functioning of the ICM - FMO and DEG commenced to introduce necessary contractual arrangements into their client agreements. These arrangements expand to the Panel and persons instructed on their behalf, the enforceability and benefit of the contractual arrangements between FMO and DEG and their clients, notably those covering access to client's information, its premises and senior management.

If a complaint relates to a case in which the necessary contractual arrangements are missing, these have to be agreed before the ICM can effectively address the complaint. This will require additional time and, depending on the scope of the actual contractual arrangements, might restrict the Mechanism as set out in the ICM Policy. In the event that the complaint requires an approach which deviates from the ICM Policy, the complainants will be informed on a regular basis on the approach and the process that will be followed.

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### ***What happens after a complaint is filed?***

Once the Panel has determined whether a complaint is admissible, it will decide on the appropriate next steps.

If your complaint is deemed inadmissible you will be notified and informed of the reasons. The Panel will attempt to make recommendations on other possibilities open to you.

If your complaint is admissible, the Panel will communicate an indicative timeline for its preliminary assessment, where it will try to get a better idea of the situation and different points of view. In this process, you will be contacted by the Panel members.

During the preliminary assessment, the Panel will try to find out whether you and other relevant parties are willing to work towards a joint solution of the issue at hand through **dispute resolution**. Should you or any other relevant party not be willing to start a dispute resolution process, the Panel can conduct a **compliance review** to see whether DEG may have failed to comply with its policies and standards. The Independent Complaints Mechanism offers the flexibility of conducting a compliance review after the dispute resolution and vice versa.

### ***What is dispute resolution?***

The aim of **dispute resolution** is to work to produce an outcome which is acceptable to all parties and provides for positive and ongoing actions to resolve the dispute. A pre-condition for dispute resolution is that all parties are willing to find common ground. The panel member(s) and/or another suitable expert accepted by all parties will work with you, the client of DEG and any other relevant stakeholders to develop a process appropriate for better understanding the issues raised in the complaint and to try to reach a mutually acceptable outcome. This process may include information sharing, joint fact-finding, facilitated discussions or mediation with the aim of finding a practical solution that is acceptable for all sides. As part of this process, the Panel will not take a position on any specific allegations nor does it find fault or liability. It is not the role of the Panel to impose solutions on the parties.

A dispute resolution process may be conducted before, after or instead of compliance review depending on the Panel's assessment of the complaint.

### ***What is compliance review?***

In a **compliance review**, the Panel investigates DEG's compliance with relevant policies and standards.

The assessment will try to determine whether there is evidence of significant adverse impacts and whether there has been a failure on the part of DEG to comply with policies, standards or other relevant appraisal criteria. This assessment is based on interviews with

you; officials of DEG responsible for implementation of the relevant policies in relation to the financed operation under review; and other stakeholders to better understand the circumstances of the project.

Following a compliance review, the Panel may make recommendations for how DEG could strengthen its application of policies to the operations in question or to improve policies and/or procedures.

A compliance review may be conducted before, after or instead of mediation depending on the Panel's assessment of the complaint.

### ***Can I expect a remedy?***

The aim of the process in case of dispute resolution is to try to move all parties to a position where they can voluntarily agree how to resolve outstanding disputes. The aim of compliance review is to identify ways in which DEG can better implement its own policies where shortfalls are found.

### ***Is there a specific timeframe for the process?***

At the outset of the process, the Panel will discuss the timeframe with you, the client and DEG. The initial phases of the Mechanism have defined timeframes:

- Acknowledgement of receipt                                      5 working days
- Admissibility assessment    25 working days
- Preliminary review    30 working days

After the preliminary review, the Panel will propose an indicative timeframe for the dispute resolution and/or compliance review phase that follows.

### ***Can I ask for my information to be treated as confidential?***

Yes, you can. Please state in your complaint whether you wish your identity and/or the information provided to be kept confidential.