TOOLKIT

Grievance mechanism template for borrowers: procedure, tiers and a 17-field log

This is a grievance mechanism a borrower can adopt before its first complaint: a one-page procedure, response tiers, a log with 17 fields and a short public notice. It is built on IFC Performance Standard 1, EBRD's ESR 10 and its grievance briefing note, so a lender's E&S review can test it line by line.

AUTHOR Omar Hamdy, Sustainable Finance specialist, Cairo

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READ ONLINE omarhamdy.com/toolkit/grievance-mechanism-template/

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Omar Hamdy, lender side, Cairo. Written in a personal capacity.

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Grievance mechanism template for borrowers: procedure, tiers and a 17-field log

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Who uses it: owners and E&S leads of SMEs and project companies whose loan carries an E&S action plan; E&S officers at banks and non-bank lenders who check that borrowers run a mechanism; and anyone writing the complaints element of an ESMS.

01

Why write it now

A grievance mechanism is written in one of two moments: before the first complaint or after it. After it, the clock has already started and nobody owns it. The requirement is in four public places, and the wording is close enough to design from once.

02

What the standards ask

SOURCE	WHAT IT REQUIRES	NUMBERS
IFC Performance Standard 1, 2012, paras 34 to 36	A procedure to receive, register, screen and answer external communications (para 34). Where there are Affected Communities, a mechanism scaled to the risks, accessible, "at no cost and without retribution", which must not impede judicial or administrative remedies (para 35). Periodic reporting back (para 36)	3 paragraphs
EBRD ESR 10, 2024 policy (in force 1 Jan 2025), paras 34 to 37	An effective mechanism "as early as possible", proportionate, anonymous complaints allowed, dedicated channels for gender-based violence and retaliation, an appeals step, monitoring and trend analysis	7 days to acknowledge and 30 days to propose a resolution, as indicative time frames in EBRD's briefing note
CBE ESRMS guide, section I, element 6, circular of 30 June 2026 (unofficial English translation, paraphrased)	The lender ensures the client has appropriate mechanisms to handle complaints from interested parties, and appropriate means of communication with them	1 of 11 elements

SOURCE	WHAT IT REQUIRES	NUMBERS
UN Guiding Principles, Principle 31	Non-judicial mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue	8 criteria

IFC also runs three levels for its own projects: the client's project-level mechanism, IFC's institutional mechanism, and the CAO as its independent accountability mechanism. Using one does not close the others. A borrower's mechanism is the first door, not the only one.

03

Part 1. The procedure, on one page

Fill the brackets. Keep it to one page so staff can follow it.

1. **Purpose.** [Company] receives and answers concerns about its environmental, social, health and safety performance from neighbours, workers of contractors, customers and anyone else affected. Workers have a separate workplace channel.
2. **Channels.** In person at [site office], by phone on [number], by email to [address], by post to [address], through a web form or a locked box at [location], or through a third party the complainant chooses. All channels are at no cost to the complainant.
3. **Anonymity and confidentiality.** Anyone may complain anonymously. Anyone may ask that their name is withheld. Personal data is seen only by the case owner.
4. **No retaliation.** [Company] does not penalise anyone for raising a concern. A report of retaliation is treated as critical.
5. **Steps.** (1) Receive and record in the log. (2) Assess severity, set the tier and assign an owner. (3) Acknowledge in writing. (4) Investigate. (5) Propose a resolution in writing. (6) If the complainant is not satisfied, review by [senior manager not involved in the case]. (7) Close and implement, and record why.
6. **Time frames.** Set by tier (Part 2). The clock starts on the day any staff member receives the concern, by any channel.
7. **Other remedies.** Using this mechanism does not stop anyone going to a court, a regulator or a lender's own complaints channel.
8. **Owner and reporting.** [Role] owns the mechanism. [Senior manager] reviews a monthly summary. The summary goes to the lender with the annual E&S report, or sooner if the loan agreement says so.

04

Part 2. Response tiers

EBRD's indicative time frames fit most complaints. They do not fit a safety threat or a report of retaliation. The tiers below are my design, built on those two figures. The Tier 1 and Tier 3 targets are design choices, not published standards.

TIER	WHAT QUALIFIES	ACKNOWLEDGE	PROPOSED RESOLUTION
1 Critical	Safety, retaliation, gender-based violence and harassment, threats, child safeguarding	Same working day	Written plan in 7 days
2 Standard	Specific complaint about the borrower's activity	7 days	30 days
3 Complex	Needs a site visit, an expert or an outside party's input	7 days	Written update at day 30, then every 30 days
Query	Request for information, not a complaint	5 working days	Log and answer

EBRD's note lists harassment, threats, physical violence, security incidents, gender-based violence and harassment, retaliation, accidents and potential community conflict among grievances of a critical nature. It says these should go to senior management as soon as possible, with the investigation led by a relevant senior manager.

Anonymous cases. They get the same clock for investigation. EBRD notes the practical limit: an anonymous complaint cannot be acknowledged or followed up unless a proxy or third-party channel allows it. Log the date anyway, and record the resolution even if nobody can be told.

05

Part 3. The log: 17 fields

One row per case. Queries get a row too, so the log shows what is not a grievance. A spreadsheet is enough.

#	FIELD	WHAT GOES IN IT
1	Case number	G-001, sequential, never reused
2	Date received	The day any staff member received it
3	Channel	In person, phone, email, post, web form, box, third party
4	Received by	Role, not name
5	Complainant	Name, or "anonymous", or "withheld at request"
6	Site or unit	Which site, line or contractor the concern relates to
7	Location of complainant	Town or district
8	Description	Two sentences, in the complainant's words
9	Category	Environment, labour (contractor), community, land, conduct, query
10	Tier	1, 2, 3 or Query, set at intake
11	Retaliation or safety flag	Yes or no; yes triggers Tier 1
12	Owner	One named role
13	Escalated to	Senior manager and date (Tier 1); lender, if the loan agreement requires notice
14	Date acknowledged	Gives days to acknowledge, against the tier target

#	FIELD	WHAT GOES IN IT
15	Proposed resolution and date	Gives days to resolve, against the tier target
16	Complainant satisfied	Yes, no, no reply
17	Appeal and closure	Appeal date and outcome; closing date and reason

The columns follow the sample register in EBRD's briefing note (Annex 3), with the tier, the retaliation flag and the escalation date added.

06

Part 4. The monthly summary

EBRD's note suggests monthly monitoring for most projects. One page:

INDICATOR	THIS MONTH	LAST MONTH
Opened, under investigation, resolved, in appeal, closed	.....	.....
Acknowledged on time (%)	.....	.....
Resolution proposed on time (%)	.....	.....
Median days to acknowledge	.....	.....
By category	.....	.....
Anonymous cases (number, type, location)	.....	.....
Repeat locations or repeat contractors	.....	.....
Tier 1 cases and what was done	.....	.....

Remove personal data from anything shared beyond the case owner. A rise in anonymous complaints is a signal in itself: EBRD suggests checking whether people doubt that complaints are handled in confidence.

07

Part 5. Public notice (short form)

Post it at the site gate, on the website and in the local language.

Have a concern about our site? Tell us in person at [office], by phone on [number], by email to [address], or in the box at [location]. You can stay anonymous. It costs you nothing. We will reply within 7 days and propose a solution within 30 days, or sooner if it is about safety. Nobody will be penalised for raising a concern. You can still go to the authorities or a court at any time.

08

A fictional six-entry log

All dates are invented. As at 30 April of a fictional year: five grievances and one query.

CASE	RECEIVED	CHANNEL	TIER	ACKNOWLEDGED	PROPOSED RESOLUTION	RESULT
G-001	2 Mar	Email	2	5 Mar (3 days)	26 Mar (24 days)	Satisfied, closed 30 Mar
G-002	9 Mar	Phone	2	11 Mar (2 days)	17 Apr (39 days)	Not satisfied, appeal lodged 24 Apr
G-003	16 Mar	Web form, anonymous	1	16 Mar (0 days)	Plan 23 Mar (7 days)	Closed 6 Apr, retaliation flag
G-004	30 Mar	In person	2	1 Apr (2 days)	28 Apr (29 days)	Satisfied, closed 30 Apr
G-005	6 Apr	Email	Query	7 Apr	n/a	Answered and closed
G-006	13 Apr	Post	2	23 Apr (10 days)	Due 13 May	Open, day 17 of 30

Four of five acknowledged on time (80%). Three of four due resolutions proposed on time (75%). Median time to acknowledge: 2 days. One of four resolved grievances went to appeal (25%).

Read the pattern, not the average. G-006 came by post and was acknowledged on day 10; the four that came by email, phone, web form or in person were acknowledged within 3 days. The fix is to open the post daily and log it the same day. G-002 missed because it needed an outside party's input: a Tier 3 case logged as Tier 2. The fix is a tiering rule at intake, not a faster officer.

09

What the lender checks

A lender's review of this mechanism asks five things. Keep the answer to each on file.

CHECK	EVIDENCE
Does a written procedure exist, with an owner?	Part 1, signed and dated
Do people know about it?	Photo of the notice; web page; date posted
Is every concern logged, including queries?	The log, with no gaps in case numbers
Are the time frames met?	Monthly summary, on-time rates
Does senior management see it?	Review record; Tier 1 escalations

The lender also needs its own channel. A borrower may have no mechanism, a complainant may not trust the borrower's, and a lender that never sees complaints cannot read the pattern across its book. EBRD's ESR 9 says an intermediary assumes delegated responsibility for E&S risk management and monitoring, and complaint trends are monitoring data. The lender's channel receives, refers, tracks and counts. It does not replace the borrower's duty, and it does not investigate site facts the lender cannot see.

10

Rules

1. Tier at intake. Re-tier only with a written reason.

2. Log every complaint, even if it looks trivial or unfounded.
3. Anonymous complaints get the same investigation clock.
4. A Tier 1 case reaches the senior manager who oversees the mechanism the same day.
5. Report monthly: counts by status, on-time rates, categories, anonymous share and repeat locations.
6. Remove personal data from anything shared beyond the owner.

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Sources

1. IFC, Performance Standard 1, 1 January 2012, paras 34 to 36 (https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standard-1-en.pdf)
2. IFC, Responding to Environmental and Social Complaints, December 2023 (https://www.ifc.org/content/dam/ifc/doc/2023/responding-to-environmental-and-social-complaints.pdf)
3. EBRD, Environmental and Social Policy, October 2024 (in force 1 January 2025), ESR 10 paras 34 to 37 and ESR 9 (https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/environment---sustainability/environmental-and-social-policy-esp/esp-2024/EBRD-Environmental-and-Social-Policy-2024-high-res.pdf)
4. EBRD, Project Grievance Mechanism: Briefing Note (time frames, critical grievances, anonymous grievances, monitoring, Annexes 2 and 3) (https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/environment---sustainability/implement-performance-requirements/esrs-2026/project-grievance-mechanism-briefing-note.pdf)
5. CBE circular on the implementation of ESRMS, 30 June 2026, unofficial English translation, Sustainable Banking and Finance Network (https://data.sbfnetwork.org/sites/default/files/2026-08/Circular%20on%20the%20Implementation%20of%20ESRMS%20%28Eng%20translation%29_0.PDF)
6. UN OHCHR, Guiding Principles on Business and Human Rights, 2011, Principle 31 (https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf)

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Glossary terms on this page

- Grievance mechanism omarhamdy.com/glossary/grievance-mechanism/
- Stakeholder engagement omarhamdy.com/glossary/stakeholder-engagement/
- ESAP omarhamdy.com/glossary/esap/
- Covenant omarhamdy.com/glossary/covenant/
- Performance Standards omarhamdy.com/glossary/performance-standards/
- ESRMS omarhamdy.com/glossary/esrms/

Terms used in this document

PERFORMANCE STANDARDS	IFC's eight rules for managing harm to workers, communities and nature in a project.
EBRD	The European Bank for Reconstruction and Development: a development bank owned by governments and EU institutions that lends in Egypt, often through local banks.
IFC	The International Finance Corporation: the World Bank Group's arm that lends to and invests in private companies in developing countries.
E&S RISK	Environmental and social risk: the chance that a project harms people or nature, and the money that can be lost when it does.
ESMS	The rules and routine an organisation uses to find and control harm to people and the environment. A lender runs one on every loan, and may ask its borrowers for one.
ESRMS	Environmental and social risk management system: another name for an ESMS, the one some regulators use for banks.
CBE	The Central Bank of Egypt, which licenses and supervises the country's banks and sets their rules, including on sustainable finance.
ESAP	A dated list of fixes a borrower agrees to make to meet the lender's environmental and social rules.
COVENANT	A promise in the loan agreement that you keep for as long as the loan runs, such as a reporting date or a financial ratio.