



AFRIGREEN

Fund Grievance Mechanism



CREATION

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I. INTRODUCTION

OUR BUSINESS

Created in 2013, RGREEN INVEST is an Investment Management Company (*Société de gestion de portefeuille*), established in France and governed by articles of the French Monetary and Financial Code and the French AMF Financial General Regulation. RGREEN INVEST provides a channel for institutional investors to direct their capital towards financing projects related to energy transition and climate adaptation.

In 2022, RGREEN INVEST, with the support of ECHOSYS ADVISORY, launched its first impact fund dedicated to investments in Africa: AFRIGREEN DEBT IMPACT FUND (the Fund). The Fund focuses on financing C&I solar projects located in Western and Central Africa. A set of new ESG tools was developed to enable the operations of the Fund, notably a specific Environmental and Social Management System, an ESG Scoring Tool and an Environmental and Social Policy (*see Schedule 1 for details*).

OUR DUAL GRIEVANCE SYSTEM

AFRIGREEN DEBT IMPACT FUND will systematically require each investee to develop and implement an appropriate grievance mechanism in line with EIB Environmental and Social requirements, as well as IFC Performance Standards. The Good Practice Note “Addressing Grievances from Project-Affected Communities”¹ published by IFC in 2009 can be used as the main reference.

In the meantime, the Fund acknowledges that affected or potentially affected individuals and communities may need direct access to the Fund’s team, which is why the Fund developed a generic Grievance Redress Mechanism (GRM) that aims at facilitating dialogue with key stakeholders.

This Grievance Mechanism is only applicable to AFRIGREEN DEBT IMPACT FUND. It explains the purpose of the mechanism, the criteria, and the internal process of managing grievances. This procedure is open and accessible to all. It is to be published on RGREEN INVEST’s website in the main languages of the countries in which projects are implemented (French and English to date).

This Grievance Mechanism will be evaluated annually and updated if needed.

¹ See here: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_gpn_grievances



II. RESOURCES

Adequate resources will be allocated to the implementation of AFRIGREEN IMPACT DEBT FUND's Grievance Mechanism. The team's internal capacity is expected to be sufficient for the correct handling of grievances.

Resources	AFRIGREEN's GRM
People	This mechanism will be entirely managed by the Fund's ESG team (total of 1.8 FTE to date), with the assistance of the Compliance team under the responsibility of the Head of ESG, Risk & Compliance.
Systems	In addition to this very procedure, a grievance log will be developed and monitored.
Processes	A clear written procedure has been developed to ensure the correct handling of grievances. It is described in this document, below.
Budget	All grievances will be managed internally by the Fund's ESG team. Thus, the current budget only includes time considerations. In the event of a major grievance, external investigators could be mandated, and a specific budget would have to be validated.

III. GRIEVANCE CRITERIA

A grievance can be submitted with regard to environmental and social effects, or business ethics matters.

Themes	Examples
Environment	This may include: damage to natural resources and habitats, land or air pollution, inadequate water use, etc.
Social	This may include: human rights breaches, labor rights breaches, road safety, involuntary resettlement, damage to cultural heritage, etc.
Business Ethics	This may include: fraud, corruption, bribery, business collusions, law breaches, etc.



Grievances should be submitted by:

- Individuals, groups of individuals or organizations that are or will be affected or potentially affected by a project funded by AFRIGREEN DEBT IMPACT FUND.
- Individuals, groups of individuals or organizations living, working or studying in or near a project site.
- Members of the staff of any company involved in a project funded by AFRIGREEN DEBT IMPACT FUND.

All affected or potentially affected parties may be represented by a third-party if they are not able to represent themselves.

Submitted grievances should meet the following criteria to be qualified as eligible for further procedures:

- The grievance refers to projects currently funded by AFRIGREEN DEBT IMPACT FUND.
- The grievance refers to an impact that fits the scope of this GRM (see scope criteria above).
- The grievance is submitted by an admissible complainant (see admissibility criteria above).
- The grievance is complete, *i.e.* it includes the following information:
 - The identity of the complainants,
 - An identification of the project causing adverse effects,
 - A description of the situation (a statement in which the complainant explains the effects by which they are or will be affected).
- The complainant does not make abusive or inappropriate use of this mechanism.

IV. PROCESS

Affected or potentially affected stakeholders may use the following form to submit their grievances to the Fund.

- Fund's postal address: 47-51, rue de Chaillot – 75016 Paris – France
- Fund's phone number: +33 1 85 65 90 11
- Fund's email address: afrigreen@rgreeninvest.com

grievance.afrigreen@rgreeninvest.com

Please note that only the Fund's ESG and Compliance Teams shall have access to this email address.



Contact points shall be communicated (1) on RGREEN INVEST / AFRIGREEN webpage, and (2) on site, where a signpost / board shall be systematically installed (depending on the situation of each project).

COMMUNICATION METHODS	DETAILS
Online – AFRIGREEN webpage	All contact points as well as this Grievance Mechanism are to be published on the AFRIGREEN webpage. The information shall be available in the main languages of the countries of funded projects (French and English to date).
Site Displays	A sign shall be installed at the entrance of all buildings receiving rooftop C&I projects funded by AFRIGREEN, or by the site’s main entry point for ground-mounted renewable energy plants. This sign must include a summary of the following information: 1) A description of the project, 2) A description of the corporate involved parties (offtaker, project developer and the Fund), 3) All contact points. This sign shall be made clearly visible for visitors, and available in the local languages, in French and/or English (depending on the location).
Investee Company Representatives	This Grievance Mechanism will be systematically presented to the ESG/CSR teams of the Investee Companies of the Fund.

Once an affected or potentially affected party submits a grievance (the Complainant), the Fund is responsible for its fair, transparent, and rapid processing. A dedicated ESG Officer is appointed to handle direct communications with the Complainant.

ID	Steps	Details	Responsible party	Timeframe
1	Receipt of the Grievance	-	Complainant	-
2	Acknowledgement & Registration	An acknowledgement receipt with an identifier is sent to the Complainant, by email or letter, as appropriate. The Grievance is registered in the Grievance Log.	ESG Officer	5 working days after receipt of the Grievance
3	Screening	The grievance’s admissibility and eligibility are checked against criteria defined in section III of this mechanism.	ESG Officer	-



4	Preliminary Assessment	If the grievance is admissible and eligible, a preliminary assessment is conducted. The ESG Officer identifies the issue and may seek clarification from the Complainant if necessary.	ESG Officer	10 working days after receipt of the Grievance
5	Investigation	Depending on the situation, additional investigative checks may be organized. These may include: 1) reviewing the investee documentation and/or, 2) visiting the project site and meeting with the Complainant and all other appropriate stakeholders.	ESG Officer (+ External Investigator for Major Grievances)	1 month
6	Dispute Resolution	Based on all previous analyses, and with the assistance a dispute resolution option is developed. It is presented to the Fund's Management Board and LPs ESG Committee.	ESG Officer + Compliance Team + Appropriate Boards and Committees	2 months
7	Fund's Response	The selected resolution option is communicated to the Complainant, using appropriate means. It is to be communicated 1.5 months after receipt of the Grievance. Should the resolution take longer, then an update on the procedure shall be sent to the Complainant.	ESG Officer	1.5 month after receipt of the Grievance
8	Complainant's Response	The complainant's response is collected and recorded. A meeting with the complainant may be held to reach a conclusion. If no agreement is reached and further procedures are required, the ESG Officer returns to Step 3 of this process. If an agreement is reached, the ESG Officer continues with the GRM process.	Complainant	-
9	Closure & Reporting	The ESG Officer can close the Grievance. Prior to doing so, they must collect proof of an agreement and all available evidence of the implementation of corrective actions. All the procedures are recorded in the Grievance Log. A One-Page Report is written and communicated to the Fund's Investors.	ESG Officer	1 week after receipt of the Complainant's Response



10	Monitoring & Evaluation	The ESG Officer shall monitor the resolution with the assistance of the Investee Company. They shall also check that the GRM process was well implemented and suggest enhancements to correct any identified inefficiencies (if any).	ESG Officer	-
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V. PROTECTION

AFRIGREEN DEBT IMPACT FUND commits to manage grievances confidentially and in line with GDPR regulation procedure. Only the Fund’s ESG and Compliance teams may know the identity of the complainant. The latter shall not be disclosed to any other party. Data used for reporting purposes shall be anonymized.



SCHEDULE 1 – SUMMARY OF AFRIGREEN’S ESG SYSTEM (AS OF Q4 2022)

AFRIGREEN

