

United Nations Industrial Development Organization (UNIDO)

Accountability and Grievance Mechanism (UNIDO AGM)

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*UNIDO is a specialized agency of the United Nations mandated to promote and accelerate inclusive and sustainable industrial development. It supports its 173 Member States through technical cooperation, policy advisory services, standard-setting, and fostering partnerships for knowledge and technology transfer. As a Global Environment Facility (GEF) Implementing Agency, UNIDO has established an **Accountability and Grievance Mechanism (UNIDO AGM)** to uphold its Environmental and Social Safeguard Policies. This mechanism addresses complaints regarding potential breaches of UNIDO's safeguards or rules and facilitates the resolution of grievances raised by individuals or communities affected by its projects.¹*

STANDARDS AND SAFEGUARDS

UNIDO's **Environmental and Social Safeguards Policies and Procedures (ESSPP)** comprise four interconnected components:

1. The **Integrated Safeguard Policy Statement** outlines UNIDO's core safeguard principles and objectives.
2. The **Operational Safeguards** define ten programmatic and two framework requirements for managing environmental and social risks.
3. The **Safeguard Steps Along the Project Cycle** detail procedures to ensure compliance throughout project implementation.
4. The **Safeguard Tools** assist project teams in identifying risks and preparing the required environmental and social assessments.

The Operational Safeguards cover a wide range of thematic areas, including environmental impact, climate change, pollution, involuntary resettlement, labor, cultural heritage, gender, Indigenous Peoples, stakeholder engagement, security, and grievance redress. While tailored to UNIDO's mandate, the ESSPP are informed by international best practices, aligned with United Nations values, and reflect the requirements of major donors such as the Global Environment Facility (GEF) and the Green Climate Fund (GCF). Accordingly, these safeguards apply both within UNIDO and in broader project contexts involving implementing partners and external entities.

LAND TENURE

Land tenure-related grievances—including issues of ownership, access, use, eviction, and displacement—fall explicitly within the scope of the **UNIDO AGM**.

UNIDO's Operational Safeguard 3 (OS 3) applies to projects that may lead to involuntary resettlement, including both physical displacement (e.g., loss of shelter) and economic displacement (e.g., loss of

¹ UNIDO. 2021. Operational Safeguard 12. UNIDO Environmental and social safeguards policies and procedures (ESSPP). https://www.unido.org/sites/default/files/files/2023-06/AI_2021_03_UNIDO_ENVIRONMENTAL_AND_SOCIAL_SAFEGUARDS.pdf?token=1897867694

assets or livelihoods). As part of the environmental and social assessment process mandated under **Operational Safeguard 1 (OS 1)**, projects are screened early for potential displacement risks.

UNIDO is committed to ensuring that land used for its projects is legally acquired and does not involve involuntary resettlement. If displacement is anticipated, UNIDO may either relocate or halt the project to prevent harm. When resettlement risks are identified, project design must be adapted to incorporate site-specific assessments, meaningful stakeholder engagement, and continuous monitoring throughout implementation.

Operational Safeguard 4 (OS 4) addresses the rights of Indigenous Peoples, particularly in cases where projects may affect their land, culture, or livelihoods. It recognizes customary land tenure and emphasizes the requirement of Free, Prior, and Informed Consent (FPIC). Projects involving Indigenous Peoples must ensure culturally appropriate benefit-sharing, the protection of traditional knowledge, and, where appropriate, legal recognition of customary land rights.

UNIDO supports the development of Indigenous Peoples Plans (IPPs) for projects that may impact Indigenous communities. These plans are designed to ensure active participation, inclusive consultation, access to grievance mechanisms, and robust monitoring. IPPs must also contain clear provisions for recognizing and respecting Indigenous land tenure systems.²

OUTREACH AND ADMISSIBILITY

To ensure accessibility and transparency, relevant information should be broadly disseminated to stakeholders and project-affected people—through the UNIDO website and, where possible, via project- or programme-specific websites, including in local languages.

At present, UNIDO maintains a webpage for reporting environmental and social concerns, which provides basic information about the grievance mechanism, access to the Environmental and Social Safeguards Policies and Procedures (ESSPP), and an online reporting tool.³ Complaints may be submitted by an affected party (the “complainant”) and may relate to either:

1. A perceived failure by UNIDO to comply with its regulations, rules, policies, or procedures (**Type 1 complaint**); or
2. Concerns regarding the technical design or implementation of a project, including safeguard-related issues—even when UNIDO’s policies and procedures have been followed (**Type 2 complaint**).

Anonymous submissions are allowed, provided that sufficient information is included to assess the claim. All complainants are protected by confidentiality and non-retaliation measures.

The grievance mechanism is free of charge.

FILING A COMPLAINT

A complaint may be submitted through any of the following channels:

1. The United Nations office in the country;
2. The UNIDO representative at the country or regional level;
3. The relevant UNIDO project manager;
4. The UNIDO Office of Evaluation and Internal Oversight (EIO);
5. The funding partner’s grievance mechanism;

² UNIDO. 2021. Operational Safeguard 3 and 4. UNIDO Environmental and social safeguards policies and procedures (ESSPP). https://www.unido.org/sites/default/files/files/2023-06/AI_2021_03_UNIDO_ENVIRONMENTAL_AND_SOCIAL_SAFEGUARDS.pdf?token=1897867694

³ UNIDO. n.d. Reporting environmental and social concerns. <https://www.unido.org/resources-evaluation-and-internal-oversight-investigation/reporting-environmental-and-social-concerns>

6. Online reporting tool.⁴

All complaints from affected stakeholders—regardless of how they are submitted—are forwarded to UNIDO’s **Office of Evaluation and Internal Oversight (EIO)**, which maintains an official record and monitors each case until it is resolved.

The EIO reviews each complaint to determine whether it falls under the scope of the ESSPP or pertains to other issues such as fraud, harassment, or misconduct, which are handled under separate procedures.

If the complaint concerns the ESSPP, the EIO collaborates with the Compliance Officer from the Programmes Directorate to assess and classify the complaint based on its nature—i.e., Type 1 or Type 2:⁵

- Type 1 complaints, which involve alleged violations of the ESSPP, are handled by the Internal Oversight Division under the Office of the Director General.
- Type 2 complaints, which concern project design or implementation issues—including safeguard concerns even when policies have been followed—are reviewed by a Grievance Panel.

The Grievance Panel is chaired by the Managing Director of the Programmes, Partnerships and Field Coordination Directorate and supported by the Partnerships Coordination Division. The panel typically includes three to five members, selected on a case-by-case basis. Members may include senior staff, national coordinators, or independent experts.

DESCRIPTION OF THE PROCESS

Type 1 complaints, which involve **compliance investigations**, must be handled in accordance with the EIO Charter⁶ and the Investigation Guidelines.⁷ These documents outline the principles, procedures, and standards governing the investigative process, which typically includes three phases: preliminary evaluation, full investigation, and reporting.

In the preliminary evaluation phase, the Office of EIO determines whether the complaint meets four essential criteria:

1. Mandate: the issue falls within EIO’s mandate;
2. Credibility: the complaint presents a reasonable factual basis;
3. Verifiability: there is sufficient information to enable verification; and
4. Materiality: the alleged misconduct is serious enough to justify further action.

To make this assessment, EIO may collect initial facts, consult relevant UNIDO offices, and seek clarification from the complainant. Based on this evaluation, the Director of EIO decides whether to proceed with a full investigation or close the case. All closure decisions are documented and, when appropriate, shared with the complainant. If the complaint falls outside EIO’s mandate, it may be referred to other UNIDO offices or national authorities.

When a full investigation is initiated, the Office of EIO collects relevant evidence and conducts interviews with complainants, witnesses, and other stakeholders. These interviews are usually held in person,

⁴ UNIDO. n.d. https://www.unido.org/contact/ios_report

⁵ UNIDO. 2021. Operational Safeguard 12. UNIDO Environmental and social safeguards policies and procedures (ESSPP). https://www.unido.org/sites/default/files/files/2023-06/AI_2021_03_UNIDO_ENVIRONMENTAL_AND_SOCIAL_SAFEGUARDS.pdf?token=1897867694

⁶ UNIDO. 2020. Charter of the office of evaluation and internal oversight. https://www.unido.org/sites/default/files/files/2023-06/DGB_2020_11_Charter%20of%20the%20Office%20of%20Evaluation%20and%20Internal%20Oversight_Amd-1_LEG%20typo-corr_210505.pdf?token=1510783777

⁷ UNIDO. 2022. Investigation Guidelines. https://downloads.unido.org/ot/30/76/30769410/Investigation_Guidelines.pdf

recorded, and conducted in a UNIDO working language, with interpretation provided when necessary. Subjects of the investigation are given the opportunity to review and comment on their interview records.

At the conclusion of the investigation, the Office of EIO prepares a report outlining the allegations, contextual background, findings, and recommendations. A draft version—excluding conclusions—is shared with the subject for comment prior to finalization. The final report is submitted to the Director General, who determines whether administrative action is warranted.⁸

The Grievance Panel, responsible for handling **Type 2 complaints**, typically consists of three to five members, including project staff, representatives from executing entities, support services, and independent experts. It conducts an impartial assessment of complaints related to project design or implementation, drawing on project documentation, ESSPP materials, and input from the complainant.

If a complaint is found to be partially or fully justified, the panel recommends corrective measures—such as revising the Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), work plans, or project budgets. The panel then submits its findings to the Managing Director of the Department of Policy, Functions and Coordination (PFC), who makes the final decision. Any suspected breaches of UNIDO rules or misconduct are referred to the EIO.

The panel operates in line with UNIDO’s Constitution, Code of Ethical Conduct, and Competency Framework, and is supported by a secretariat. The secretariat is responsible for communicating decisions to the complainant, forwarding outcomes to EIO for record-keeping, and following up with the project manager to ensure implementation of the recommended actions.

⁸ UNIDO. 2022. Section F. Investigative Process. Investigation Guidelines.
https://downloads.unido.org/ot/30/76/30769410/Investigation_Guidelines.pdf