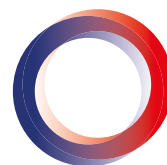


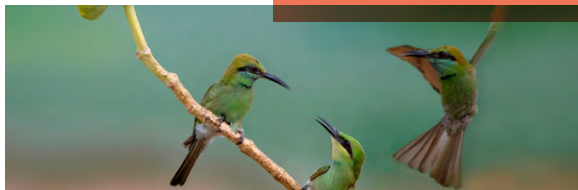


RÉPUBLIQUE
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*Liberté
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Fraternité*



AFD
AGENCE FRANÇAISE
DE DÉVELOPPEMENT



THE ENVIRONMENTAL AND SOCIAL COMPLAINTS MECHANISM

2025

ANNUAL ACTIVITY
REPORT



#WorldInCommon

Foreword



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In 2025, the Environmental and Social Complaints Mechanism was able to pursue its work of adaptation and reflection.

The international and national geopolitical contexts and donors' changing conditionalities, as well as the increasing emergence of new types of complaints made this a necessity. Moreover, AFD is committed to attaining the highest standards in this area, driven by our colleagues' determination to observe the principles of independence and accountability when managing complaints.

In this annual report, you will find an overview of the Mechanism's activities, along with the developments already underway and those yet to come.

Marianne SIVIGNON-LECOURT
AFD Ethics Advisor and Internal Mediator.

The environmental and social complaints management mechanisms of public or private donors are emerging as a means of out-of-court dispute resolution that is currently sparking interest. At AFD, this is apparent not only in the increasing number of complaints received over the past two years and in the complainants' new expectations, but also in a need for greater expertise in conflict resolution. Considering these new requirements, the year 2025 was particularly important for the Mechanism. Among the year's developments, the update of the Mechanism's Rules of Procedure, the creation of a new process specifically for handling cases of sexual violence, the completion of a project on the risk of retaliation and the creation of a new function aimed at improving practices have been particularly rewarding. Some of these projects have already been completed whilst others will be finalised in 2026.

The year 2025 also provided the opportunity for AFD to contribute more dynamically to the Independent Accountability Mechanisms Network (IAMNet) and restate the fundamental principle of any mechanism – independence in implementing our practices.



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Philippe GALLAND
Head of the Secretariat
AFD Environmental and Social
Complaints Mechanism

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Introduction

AFD's environmental and social (E&S) complaints mechanism (the "Mechanism") allows any natural or legal person who considers that they have been adversely affected by the environmental and/or social impacts of an AFD-funded project to file a complaint.

It provides two ways of handling Complaints:

- The Conciliation process, which involves proposing the intervention of a neutral, independent and impartial third party to help find an Agreement between the Complainant or his/her/its Representative and the Beneficiary on the issue(s) underlying the Complaint, and where relevant, the other parties concerned (excluding AFD).
- The Compliance Audit, which aims to determine whether or not AFD complied with its Environmental and Social Risk Management Procedures for a project that it financed. The audit results in a set of actions (which can be summarised in a specific action plan following a compliance audit or in a conciliation agreement) aimed at countering or offsetting the negative impacts identified within the context of a project. The implementation of the corrective actions is the exclusive responsibility of the AFD Beneficiary. The Secretariat of the E&S Complaints Mechanism and the project teams are responsible for monitoring this implementation.

In this new format of the annual report, you will find:

- i. The usual information found in previous activity reports: Chapter 1 "Overview of the Mechanism's activities" and Chapter 2 "Complaints processed in 2025 and lessons learnt", and
- ii. Additional information on the Mechanism's developments in Chapter 3 "New 2025 Initiatives", including recommendations to consolidate a **new function** for the Mechanism, "Improving practices". In this report, the outputs of **the new function** are indicated by the pictogram below.





CHAPTER 1

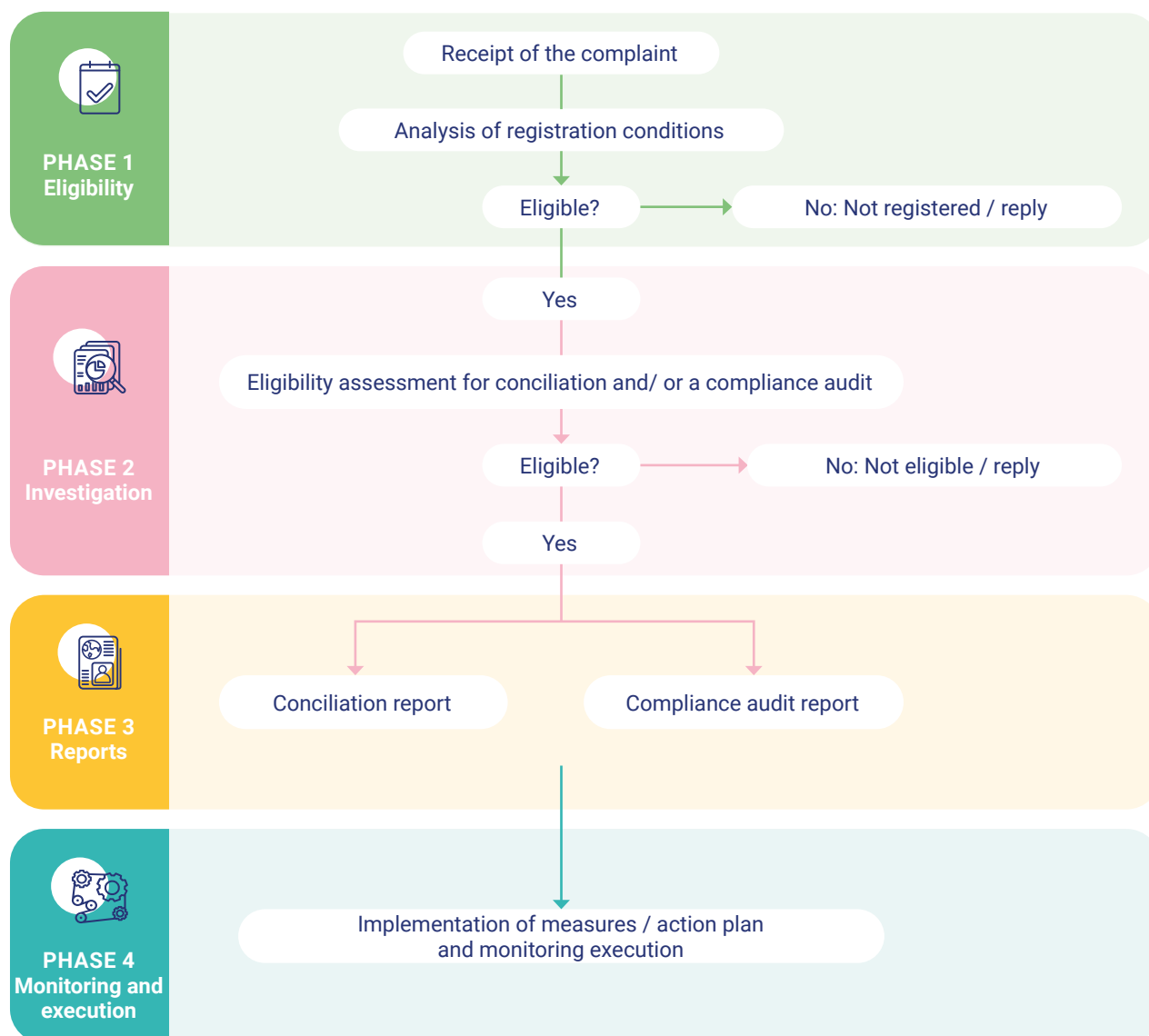
OVERVIEW OF THE MECHANISM'S ACTIVITIES

A ONE-STOP SHOP

The Mechanism allows any individual, group or entity that consider they are affected by an AFD-funded project to file a complaint with the Mechanism to report a potential environmental or social impact and request an independent review of the situation. It aims to offer an out-of-court, additional and subsidiary recourse mechanism and to strengthen the transparency, accountability and management of environmental and social risks in AFD-funded projects.

The Mechanism is managed by a dedicated Secretariat operating independently of the operational directorates and supervised by AFD's Ethics Advisor, which guarantees a certain independence vis-à-vis the departments that appraise and monitor the projects.

Independent external experts intervene in the different complaint-processing stages (eligibility, conciliation, compliance audit) to provide technical expertise and bolster the Mechanism's impartiality.



THE MECHANISM IN FIGURES



IN 2025, THE MECHANISM RECEIVED MORE THAN A **100** MESSAGES.



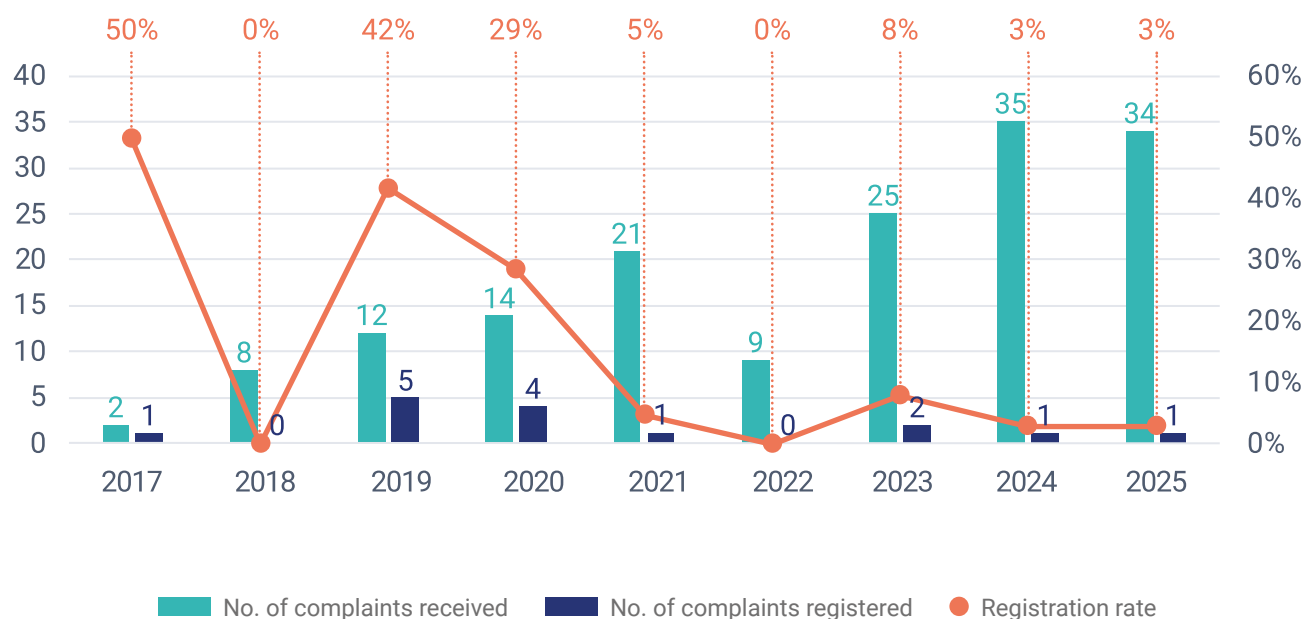
Out of these messages, **63** WERE REVIEWED BY THE SECRETARIAT.

The remaining messages were not taken into consideration for the following reasons:
 5 messages levelled criticism against development assistance,
 1 official message from an international organisation was addressed to AFD's Chief Executive Officer, several messages involved requests for financing by CSOs or requests for assistance on a private basis.



Of the 63 messages processed by the Secretariat, **34** INVOLVED E&S COMPLAINTS CONCERNING AFD GROUP PROJECTS (2 involved Proparco projects and 2 Expertise France projects).

COMPLAINTS ON PROJECTS RECEIVED/REGISTERED SINCE 2017



THE REGISTRATION RATE STOOD AT 3%, THAT IS, ONE COMPLAINT REGISTERED IN 2025 OUT OF THE 34 RECEIVED (as in 2024).

Of these 34 complaints, apart from the one registered, the Mechanism ensured the processing/monitoring of:



2 complaints
whose handling was delegated to the World Bank;



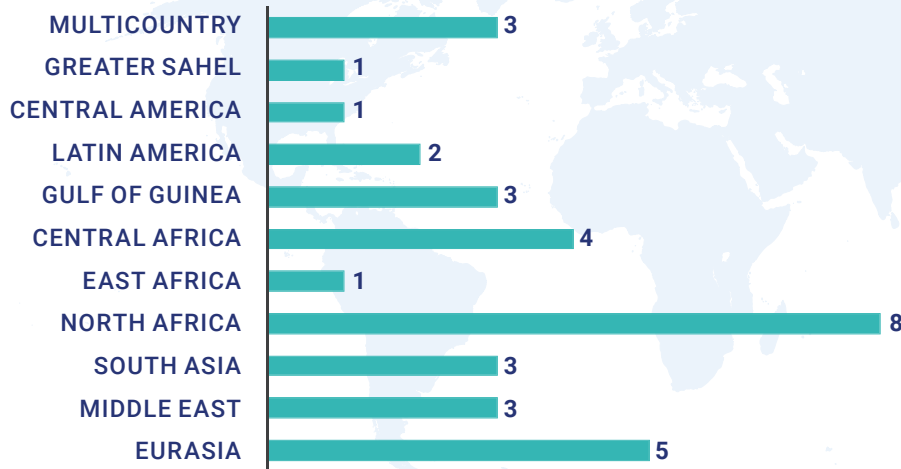
1 file
concerning the expropriation of an individual just when the project financing was entering the closing phase;



9 complaints
concerning cases of sexual exploitation, abuse and harassment (SEAH), including 3 prior to 2025, with the Compliance department. These complaints were not registered due to the lack of a specific rule for handling such cases, but their processing was taken up by the Mechanism.

The reasons why the other complaints were not registered is detailed hereafter (cf. "Reasons for the Non-registration of Complaints in 2025" [page 10](#)).

COMPLAINTS RECEIVED IN 2025 BY GEOGRAPHICAL REGION



Out of 34 complaints,

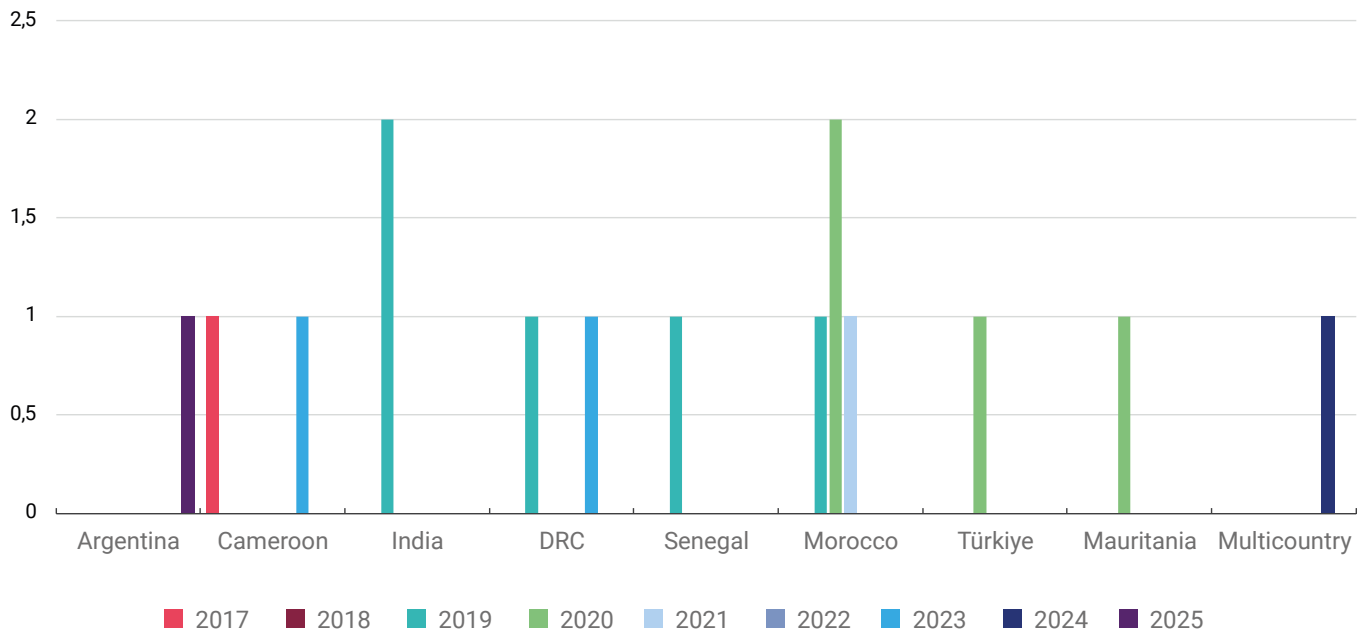
50% came from the African continent,

32% from Asia,

9% from the American continent.

The Mechanism received no complaints relating to projects financed in the "Three Oceans" region.

REGISTRATION/COUNTRY OF OPERATION



As in 2024, a certain heterogeneity can be seen in the geographical origin of the complaints.

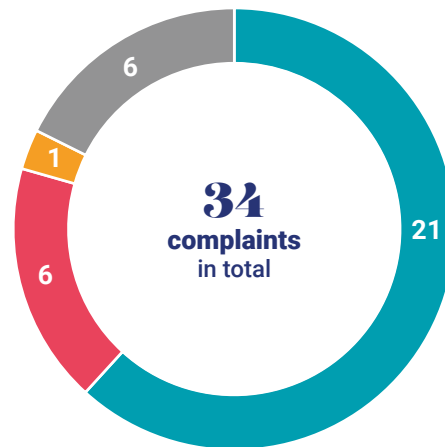
Beyond these charts and based on the data analysed for 2025, the Mechanism notes that people living in Maghreb countries are more familiar with the use of these types of mechanism.

COMPLAINTS BY SEX



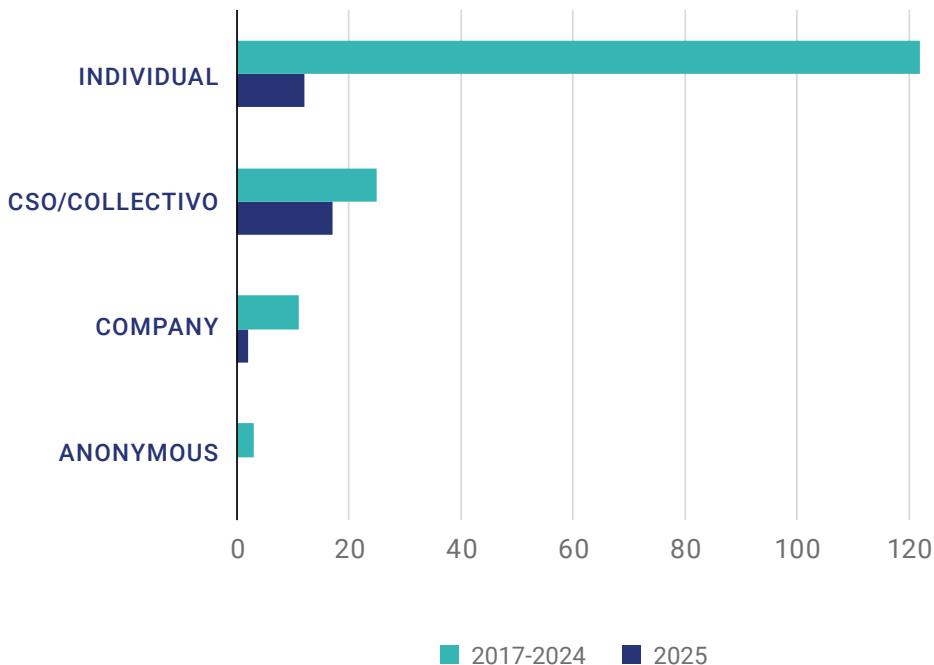
The proportion of complaints filed by women rose from 42% in 2024 to 17% in 2025.

The Mechanism continues to be used predominantly by men at over 50% for the last three years (the year that this statistic was first published).



Men Women Men and Women Not specified

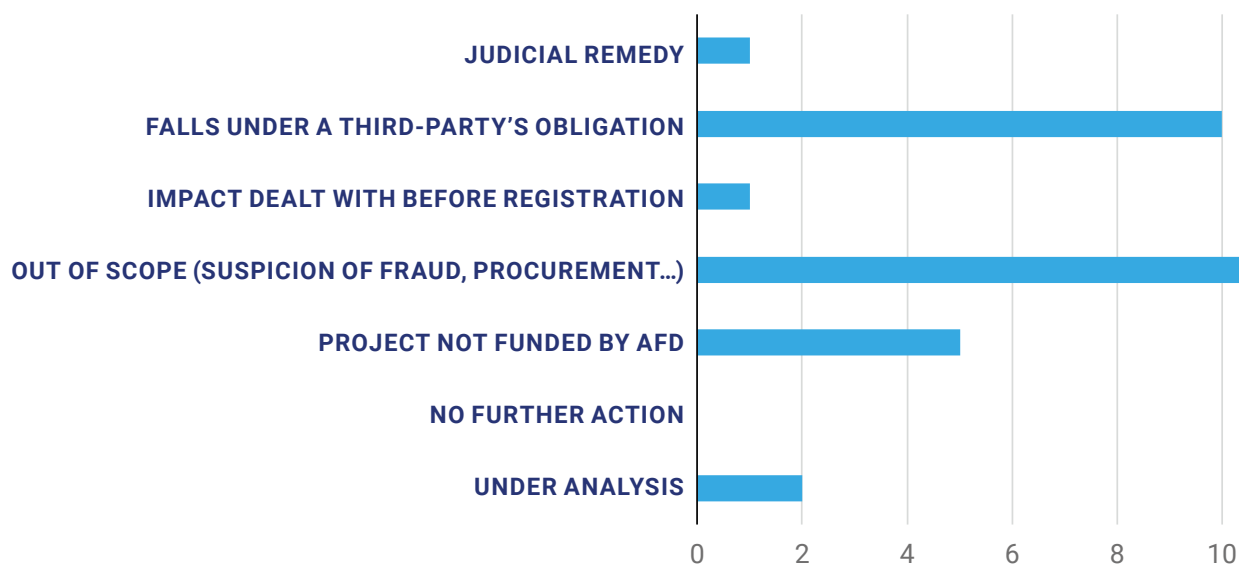
COMPLAINTS BY TYPE OF COMPLAINANT



Unlike previous years¹, more than one-third of complaints in 2025 were from associations or collectives. The complaints filed by companies relate to procurement topics that are not within the scope of the Mechanism.

¹ Since 2017, the year the Mechanism was created, the share of complaints submitted by individuals has averaged 70%.

REASONS FOR THE NON-REGISTRATION OF COMPLAINTS IN 2025



Although not formally registered, these complaints were, when possible and relevant, referred to the competent AFD departments (e.g. Compliance) or to the beneficiaries of our financing agreements.

NEW DATA!

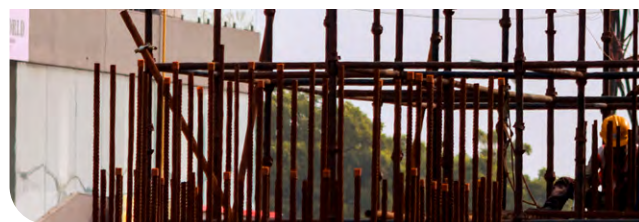
Average time in 2025 to reply to a received complaint:

10.3 days.

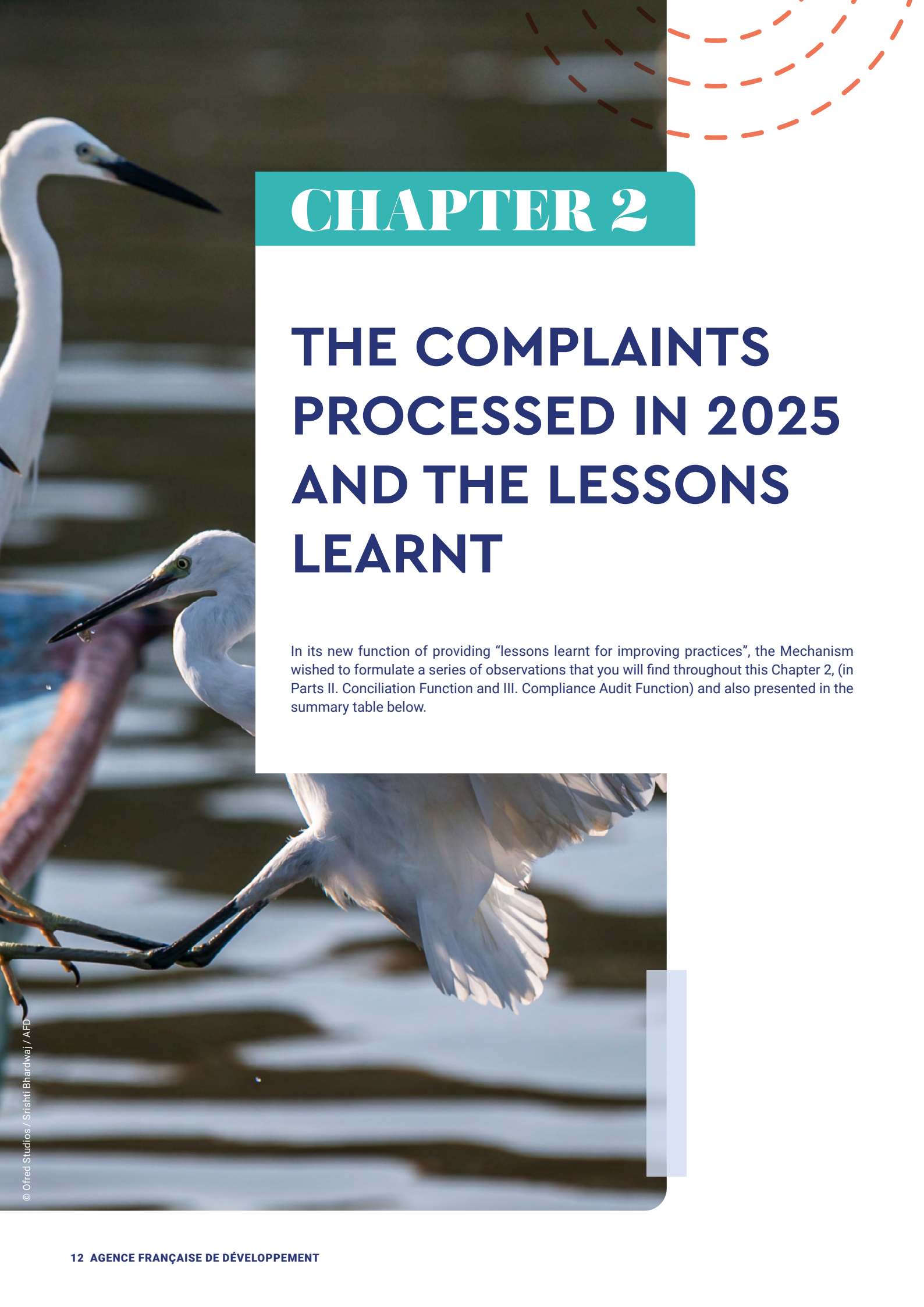
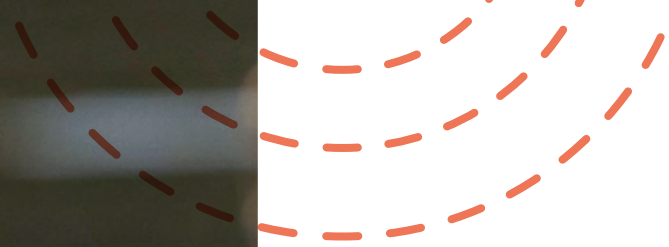
Average time in 2025 to process a complaint (registration + eligibility assessment)

100.8 days.²

Compared to other mechanisms, the Mechanism's processing time in 2025 was relatively short.



² The files eligible for conciliation or a compliance audit can be processed in time periods from 200 days or longer. In 2025, 100.8 days comprised the completion of several steps: analysis of the complaint, its registration, an eligibility mission to the country of financing and the submission of the file to the Eligibility Committee.



CHAPTER 2

THE COMPLAINTS PROCESSED IN 2025 AND THE LESSONS LEARNT

In its new function of providing “lessons learnt for improving practices”, the Mechanism wished to formulate a series of observations that you will find throughout this Chapter 2, (in Parts II. Conciliation Function and III. Compliance Audit Function) and also presented in the summary table below.

These observations underline the need to systematically train and support our beneficiaries in managing complaints, to strengthen the capacity of our colleagues on the ground on the conciliation function to ensure monitoring, to set up local mechanisms specifically adapted to the rights of Indigenous Peoples, to ensure the match between infrastructure size and the E&S capacities of the beneficiaries of financing agreements, and finally to take better account of areas downstream of dams in accordance with the highest international standards.

Observation 1	AFD should provide for specific support and training plans for its beneficiaries on how to implement a Project Grievance mechanism (PGM) (particularly when they undertake large-scale infrastructure projects).
Observation 2	AFD's local agencies should have information and capacity-building sessions on the conciliation function via the Mechanism.
Observation 3	It is recommended – and often even necessary if circumstances permit – that our beneficiaries provide for a Project Grievance mechanism (PGM) specifically adapted to Indigenous Peoples rather than a generic mechanism. This is due not only to the recognised rights of Indigenous Peoples, but also to questions of trust, accessibility and genuine compensation for any potential harm caused to them.
Observation 4	AFD's internal comitology/governance must keep in mind of the equation "infrastructure size versus the capacity of the beneficiaries of the financing agreement to implement all of the E&S due diligences and action plans" to avoid the lengthy and costly processing of complaints involving high operational and reputational risks.
Observation 5	In line with ICOLD's (International Commission on Large Dams) recommendations, the terms of reference (ToRs) for AFD's feasibility studies should systematically include studying the areas downstream of dams. Furthermore, AFD should ensure that the Beneficiaries have the means to implement it.



1.

Complaints processed in 2025

COMPLAINT REGISTERED IN 2025

Complaint registration date: 08/09/2025

Complainants: individuals and authorised representatives

1. Project description

The main objective of the project is to preserve and reinforce biodiversity conservation as an initiative to combat climate change and diversify economic resources in the province of a Latin American country.

2. Complaints

Complaints made by the authorised representatives and community representatives indicate:

- failure to respect indigenous peoples' right to Consultation and Free, Prior and Informed Consent (FPIC),
- potential negative environmental impacts in the short term.

An online meeting was held between AFD's E&S complaints management Secretariat, the authorised representatives and the community representatives.

The Secretariat registered the complaint and commissioned an on-site mission to conduct an eligibility study.

3. Analysis and eligibility report

The eligibility report aimed to assess whether the complaint (_172) was eligible for a compliance audit and/or a conciliation process in accordance with Section 6 of the AFD E&S Complaints Mechanism's Rules of Procedure.

This is based on a review of the project documentation, an analysis of the tenders launched by the Beneficiary, a mission and interviews with the project stakeholders, an on-site visit.

The report indicated that organising a conciliation between the Beneficiary and the communities and local actors constituted a key step in restoring trust and building a shared vision of regional development.

However, the report identified obstacles to this conciliation:

- the suspension of contract-awarding,
- the failure of the groups to agree on how to jointly conduct the conciliation,
- the Beneficiary's lack of time and resources to organise a conciliation process.

4. Decision of the Eligibility Committee

The goal of conciliation is to resolve a dispute through a third party. It requires a shared willingness to resolve the dispute out of court in accordance with Section 9 of the Rules of Procedure. If these conditions are not fulfilled, the Conciliator is unable to organise a conflict resolution process likely to succeed.

In the current case, the eligibility report pointed out that the conditions for conflict resolution are not in place.

As a result, the Eligibility Committee ruled that the complaint was not eligible for conciliation.

MONITORING OF COMPLAINTS PRIOR TO 2025 (LISTED IN THE 2024 ANNUAL REPORT)

CENTRAL AFRICA Dam / Hydropower

(page 13, [2024 Activity Report of the Environmental and Social Complaints Mechanism](#)).



Reminder: a collective representing the local communities alleged that the AFD-funded project had the following impacts: poor definition of the environmental and social impact study area; lack of consultation; rural exodus driven by the decline in sources of income; disruption of pirogue crossings due to flooding; disruption of income-generating activities (fishing, hunting, agriculture, etc.).

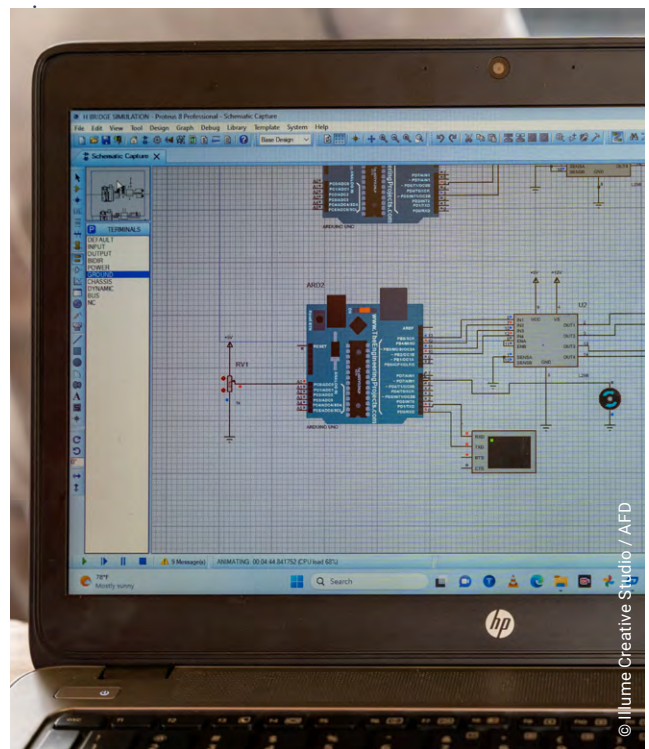
- The file was closed by the Eligibility Committee in 2025 given the Beneficiary's unwillingness to enter into a dialogue. The compliance audit report proposed recommendations to the project teams intended to reinforce the E&S impact studies on this type of infrastructure. A meeting focussed on improving our practices was held between the project team and the Mechanism's Secretariat.

CENTRAL AFRICA Vocational Training Centre

(page 15, [2024 Activity Report of the Environmental and Social Complaints Mechanism](#)).

Reminder: The complainant claimed that the AFD-funded project had led to illegal deforestation and land-grabbing by the Beneficiary of the AFD financing.

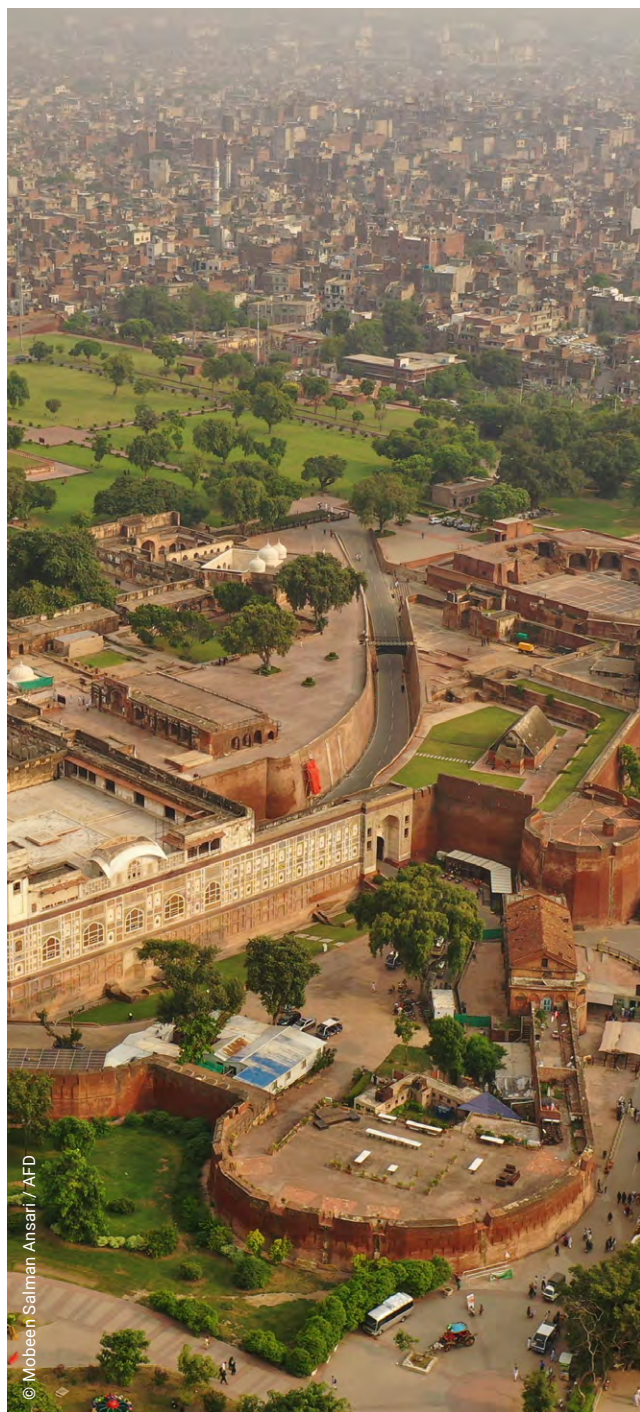
- After receipt of the project's environmental and social documentation, the analysis conducted by the consultancy firm confirmed the need for an on-site mission. However, the situation in this region has made physical access there impossible for several months. The security context still seems to rule out a mission in 2026. As a result, this file will be submitted "for closure" at the next Committee in 2026. It will also be proposed to the complainant that they provide us with an update when the security situation permits.



CENTRAL AFRICA

Urban development

(page 16, [2024 Activity Report of the Environmental and Social Complaints Mechanism](#)).



Reminder: The complainant claims that he failed to receive due compensation following his eviction from his land.

- The complainant received his compensation thanks to the efforts of the local AFD agency. The file was closed in 2025.

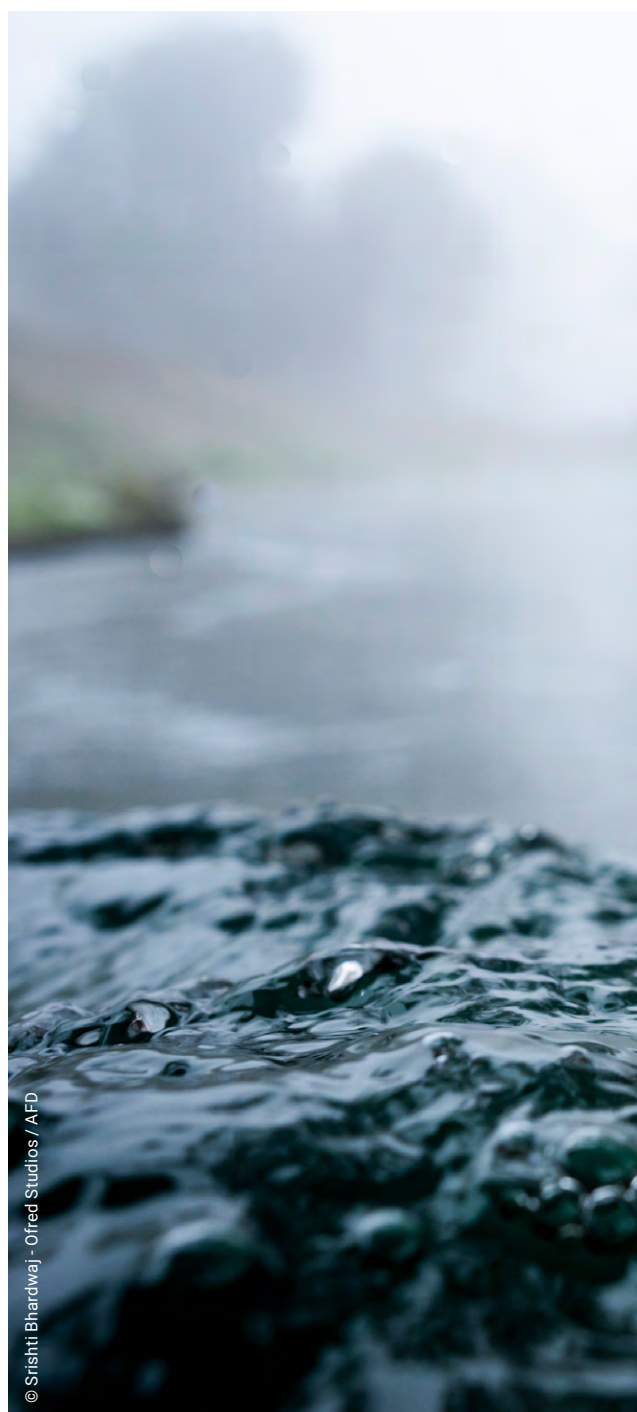
CENTRAL AFRICA

Water and sanitation

(page 17, [2024 Activity Report of the Environmental and Social Complaints Mechanism](#)).

Reminder: The complainant claims that he did not receive compensation following his expropriation.

- The Mechanism carried out an update of the situation. The claimant received an initial compensation payment from the country's authorities for the damage on his land caused by canalisation works. It transpired that the resettlement of this individual is no longer relevant. The file was thus closed in 2025.





NORTH AFRICA

Water and sanitation

(page 18, [2024 Activity Report of the Environmental and Social Complaints Mechanism](#)).

Reminder: Complaints filed by several associations allege a lack of public consultation, the potential pollution of an oasis and irregularities in the environmental and social due diligences carried out on several projects supervised by AFD and another donor.

- This file is not longer handled by the Mechanism, as the complainants preferred to seek judicial redress.

WEST AFRICA

Rail transport

(page 20, [2024 Activity Report of the Environmental and Social Complaints Mechanism](#)).

Reminder: Two complaints filed by collectives in 2019 and 2020 alleged that social impacts had occurred during the implementation of the project's resettlement plans and there was a lack of consultation with the people likely to be affected.

- AFD's financial partner is in charge of monitoring the action plan. The file was closed in 2025.





2.

Conciliation function

Conciliation is one of the main reasons for setting up mechanisms to manage environmental and social complaints. The positive impacts of conciliation stretch far beyond the number of conciliation agreements facilitated. The expected positive impacts of a conciliation process include stabilising a tense situation, preserving relationships and increasing the likelihood of sustaining activity. It creates a structured framework for dialogue that leads to balanced agreements rather than open conflict.

2025 SUCCES STORIES

- An individual who had been negatively impacted by works for a land-use planning project (house damaged) finally received the final payment promised to him by a municipality under a conciliation agreement – West Africa.
- The residents of a street were no longer able to leave home (the gates could no longer open or close due to an elevation of the road following works). A conciliation agreement resulted in the works resuming and the street level was corrected – North Africa.
- Following inappropriate conduct of a consultant visiting an association, the Mechanism facilitated dialogue between the association and the firm that hired this consultant so that the firm could conduct an inquiry. The inquiry resulted in internal decisions that proved satisfactory to the complainant, the association and AFD – Latin America.

OTHER COMPLAINTS WITH A POSITIVE OUTCOME

There are also conciliation agreements whose terms were not entirely respected or whose initial situation changed, but which nonetheless had a positive outcome.

- A conciliation agreement had been signed by a Prefecture and an individual providing for his voluntary departure so that water supply and sanitation works, important for the neighbourhood, could be carried out. This individual had already received an initial compensation to cover his departure from his main residence and land. In the end, the final project design avoided this expropriation. As a result, the individual rightly did not receive the other compensation payments that had been provided for in the initial agreement – West Africa.
- An inhabitant's land and residence had suffered damage due to development works that had not originally been planned by a company. Thanks to a dialogue, this individual was integrated into the list of people who would be compensated by the insurance taken out by the company responsible for the works – West Africa.

CONCILIATION COMPARED TO THE CAPACITY OF THE BENEFICIARIES OF FINANCING AGREEMENTS



Training our beneficiaries on the World Bank's environmental and social standards for high-risk projects is the surest way of preventing complaints. Among these standards, the creation of Project Grievance mechanism (PGM) is designed to support conflict resolution since they are more closely attuned to the local context and the traditional practices and customs of local communities.

However, in some cases, the Project Grievance mechanisms (PGM) do not appear fully satisfactory (conciliation know-how, neutrality and independence are lacking). Also, in some (rare) cases, the Beneficiaries had not been informed of the need to set up these PGMs or lacked the resources to implement them.

Observation 1: AFD should provide for specific support and training plans for its beneficiaries on how to implement a Project Grievance mechanism (PGM) (upstream of a project, particularly when they undertake large-scale infrastructure projects).

IMPROVING OUR PRACTICES: THE KEY ROLE OF AFD'S LOCAL AGENCIES IN MONITORING CONCILIATION AGREEMENTS



In all successful cases of conciliation (cf. previous page), the role of AFD's local agencies on the ground is crucial. More precisely, they ensure the monitoring of the commitments made by the parties to the agreement. A conciliation agreement is like "a new action plan" that includes monitoring indicators and needs mid-term or long-term reviews.

Persuasion, dialogue and even obstinacy are all qualities needed to achieve these successes. The **local staff** in AFD agencies are fully committed. They know the terrain and how to approach our partners and are AFD's greatest assets for monitoring conciliation agreements.

Observation 2: AFD's local agencies should have information and capacity-building sessions on the conciliation function via the Mechanism.



3.

Compliance audit function

The environment and social compliance audits can intervene after or without a conciliation process.

They have positive effects on risk management, operational performance and the Agency's credibility. In addition to these procedural aspects, the compliance audit aims to secure in-house operations and strengthen the confidence of our financial partners regarding our compliance with environmental and social standards.

Following a study of several E&S compliance audits in recent years, the Secretariat proposes in this chapter firstly to highlight two adjustments to the Rules of Procedure, namely the complaints closure process and a clarification of the notion of remedy. It then goes on to explore three themes with a view to improving practices.

This involves a set of actions (that can be summarised in a specific action plan following a compliance audit or in a conciliation agreement) designed to counter or offset the negative impacts of a project¹.

Remedy is the core mission of the Mechanism: "The purpose of the Mechanism is to offer an alternative and subsidiary remedy to populations through (a) a conciliation process and/or following (b) a compliance audit to remedy as far as possible and in line with the resources that the Beneficiary has available the negative environmental and social impacts of a project funded by AFD".

Remedy may take several forms and depends on the capacity of the signatories to the financing agreement and on the legislation in force.

As a reminder, none of the Mechanism's functions provide for compensation by AFD.

¹ <https://www.unepfi.org/humanrightstoolkit/remedy/>.

Remedy depends on a legal framework based on reporting in accordance with the main guideline of the United Nations. Remedy may take several forms:

- Apology (including acknowledgement of harm done)
- Restitution (restoring something to its former condition prior to the harm or impact)
- Rehabilitation (facilitating someone's recovery from harm, which may include medical or psychological care as well as legal or social services)
- Compensation (including monetary or non-monetary forms), not applicable to AFD
- A sanction from AFD (particularly contractual sanctions and penalties)
- Guarantees of non-repetition (including specific measures, mitigants and activities to ensure that human rights abuses do not re-occur).

IMPROVING OUR PRACTICES / THEME 1: INDIGENOUS PEOPLES AND ENVIRONMENTAL AND SOCIAL STANDARDS



The World Bank's E&S Performance Standard 7 recognises that "Indigenous Peoples as social groups with identities that are distinct from mainstream groups in national societies, are often among the most marginalised and vulnerable segments of the population. Their economic, social and legal status limits their capacity to defend their rights to lands and natural resources and may restrict their ability to participate in and benefit from development. Their languages, cultures, religions, spiritual beliefs and institutions may also come under threat. As a result, Indigenous Peoples may be more vulnerable to the adverse impacts associated to a project than other communities. This vulnerability may include loss of identity, culture and natural resource-based livelihoods, as well as impoverishment and disease."

It is therefore necessary, in the countries where these Peoples live, to remain attentive to the requirements relating to the avoidance of adverse impacts, to participation and consent and to circumstances requiring informed consent.

Observation 3: it is recommended – and often even necessary if circumstances permit – that our beneficiaries provide for a Project Grievance mechanism (PGM) specifically adapted to Indigenous Peoples rather than a generic mechanism. This is due not only to the recognised rights of Indigenous Peoples, but also to questions of trust, accessibility and genuine compensation for any potential harms caused to them.

IMPROVING OUR PRACTICES / THEME 2: SIZING INFRASTRUCTURE VERSUS E&S STANDARDS



An analysis of files from previous years reveals a risk that the sizing of the funded infrastructure does not match the E&S requirements. The capacity of the Beneficiaries to implement the E&S due diligences/evaluations, resettlement plans, and environmental and social management plans must be proportional to the size of the infrastructure and associated risks. It is necessary to ensure that the beneficiaries are aware of the extent of the due diligences to be performed, the actions or plans to implement, the associated additional costs (human and technical resources) and the adjustments/flexibility that this may require.

Observation 4: AFD's internal comitology/governance must keep in mind the equation "infrastructure size versus the capacity of the beneficiaries of the financing agreement to implement all of the E&S due diligences and action plans" to

avoid the lengthy and costly processing of complaints involving high operational and reputational risks.

IMPROVING OUR PRACTICES / THEME 3: AREAS DOWNSTREAM OF DAMS



The International Commission on Large Dams (ICOLD) does not provide a single or standardised mathematical formula for calculating the impacts downstream of a dam.² However, in its bulletins and recommendations, it does establish rigorous methodological principles for systematically and predictively evaluating impacts.

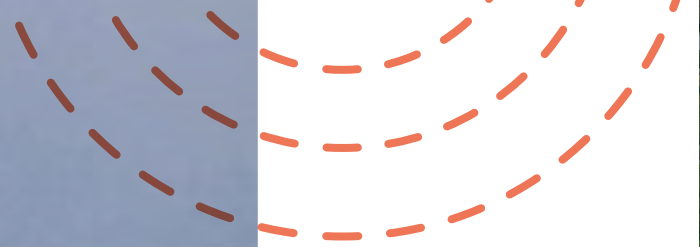
Downstream impacts mainly include modifications of a hydrological (flood control, abnormally high sustained flows), sedimentary (paving the beds, reducing the transport of solid materials), thermal and ecological nature. ICOLD underlines that these impacts must be taken into consideration right from the design phase through environmental impact studies that model the different dam management scenarios.

ICOLD also recommends mitigation measures (ecological flow rates, sediment flushing, fish ladders) and post-commissioning monitoring to validate the models and adjust dam management. This aims to reduce risks and bolster resilience against climate change. These approaches are based on an entire causal chain spanning catchment to outfall.

Observation 5: in line with ICOLD's recommendations, the terms of reference (ToRs) of AFD's feasibility studies should systematically include a study of areas downstream of dams. Furthermore, AFD should ensure that the Beneficiaries have the means to carry it out.

² Recommended calculation methods:

- Hydraulics and morpho-dynamics: Calculation of modified flow rates (winter flood control, establishment of summer flow rates) using models such as HEC-RAS or TELEMAC, combined with the geometry of the upstream bed (tractive forces, bankfull flow/discharge, transport of fine/coarse sediments).
- Sediments and temperature: Quantification of sediment blockage (risk of clogging) and thermal variations (surface water warmer and the hypolimnion colder), with withdrawal scenarios and stratification modelling.
- Ecological and cumulative: Evaluation of distant impacts (over dozens of km) through indicators such as the Diatom Biotic Index (DBI) or analysis of species life cycles, factoring in the cumulative impacts of multiple structures.



CHAPTER 3

WHAT'S NEW

The year 2025 provided an opportunity to compare the Mechanism's Rules of Procedure with those of our partners in the Independent Accountability Network (IAMNet), as well as to review reports and articles published by civil society and research bodies. In view of this, the Mechanism would like to present three new developments that have been incorporated into the new Rules of Procedure, which is to be published in 2026.





1.

AFD's commitment on the risks of retaliation

The Mechanism aims to provide, whenever possible, a safe framework allowing any natural or legal person who considers that they have suffered a negative environmental or social impact related to an AFD-funded operation to file a complaint **without fear of reprisals**.

Identifying and managing the risk of reprisals are two crucial factors that ensure the accessibility of the Mechanism. They are part of a broader framework of good international practices, particularly the San José Principles established by the United Nations and which point to the importance of protecting all individuals against threats or pressures relating to the exercise of their rights.

Within this framework, the Mechanism seeks to pay particular attention to the safety of those involved in the complaints it handles and strives to prevent and appropriately deal with any threat or risky situation reported to it. For this reason and for the first time, the Mechanism has provided for specific measures designed to assess, prevent and manage risks of reprisal in accordance with AFD's mandate and operational capacities.

These specific measures are incorporated into the **guidelines** below. An operational guide has also been written to help the Secretariat better assess the risks and deal with the complaints.

GUIDING PRINCIPLES OF THE COMPLAINTS MECHANISM

1. Zero tolerance for reprisals against complainants

AFD considers any threat or act of reprisal linked to its activities as unacceptable.

2. Confidentiality

When complaints are processed, the confidentiality of the complainants is ensured from the very first contact with the Mechanism. Confidential information, particularly the complainants' identity, is only shared when necessary and with their prior consent. The information is communicated internally within AFD and possibly with external consultants for the purpose of examined and monitoring complaints. Insofar as required, AFD may be required to disclose the information to the supervisory, regulatory and administrative authorities, as well as to any judicial body in compliance with the applicable legislative or regulatory provisions.

When relevant, anonymisation methods may be put in place in consultation with the person affected by acts of reprisal resulting from a complaint handled by the Mechanism.

3. Informed consent

When actions taken involve the complainant, AFD strives to obtain the informed consent of the person concerned. AFD details the methods used to process the complaint.

4. A preventive, proportionate and participatory approach

The Mechanism strives to identify the risk factors at each stage of the processing and to implement preventive measures adapted to each situation, based on the elements in its possession. It strives to avoid creating or exacerbating the risks of reprisals through its own actions, in line with the precautionary principle and the “do no harm” approach. It adopts a **victim-centred approach** and, as far as possible and within its means, develops solutions in consultation with the people concerned.

Whenever possible, the actions undertaken may also contribute to a rationale of remediation, aimed at **recognising the negative impacts suffered and strengthening the guarantees of non-repetition.**

5. Recognition of the subsidiary role and operational limits

The Mechanism plays a subsidiary role and is not intended to replace existing out-of-court or judicial processes available at national or local level or set up by operational partners. It cannot guarantee the safety of complainants, but remains prepared, insofar as its means allow, to address the safety concerns reported to it. It demonstrates transparency and realism regarding its scope of intervention and capacities.

6. Consideration of the vulnerabilities specific to SEAH risks

Some individuals — particularly women, LGBTIQ+ people, children, the disabled, or members of marginalised groups — may be exposed to various reprisals linked to their situation, including sexual, sexist or gender-based violence, as well as to risks of sexual exploitation, abuse and harassment (SEAH).

The Mechanism strives to mainstream **an approach that is sensitive to gender and specific vulnerabilities when analysing risks.**

7. Monitoring, evaluation and continuous improvement

The Mechanism **will report on cases involving risks of reprisals against complainants in its annual report**, and will regularly review the effectiveness of its approach for the purpose of continuous improvement.

BETTER UNDERSTAND THE RISKS OF RETALIATION – A fictional scenario

The Mechanism receives several complaints from young students whose agricultural training programmes have been cancelled for no reason right in the middle of term time. They do not want their identity to be disclosed - North Africa Region.

After a period of research and analysis with the country's local AFD agency, the Mechanism identified the training centres. However, the centres had not been financed through AFD funding. The possibility of discussing these cases with the country's authorities was studied. It transpired that the risk of these young people being identified and subject to reprisals was quite high, whilst a dialogue on the cancellation of the agricultural courses (outside AFD's portfolio) with the authorities would not necessarily have borne fruit.

As a result, the E&S Complaints Mechanism communicated no information to the local agency or to the country's authorities. The Mechanism replied to the complainants and also recommended to the technical division in charge of vocational training «to ensure close monitoring of the training programmes in this area».

New rules and a specific procedure for processing cases of SEAH

AMENDMENTS TO THE RULES OF PROCEDURE

The Mechanism's Rules of Procedure were last amended on 20th May 2022.

These Rules and the Mechanism's procedures will be updated in 2026 and will include amendments that:

- clarify the objective of the Mechanism,
- integrate the risks of retaliation (cf. [Environmental and Social \(E&S\) Complaints Mechanism | AFD - Agence Française de Développement](#)),
- propose improvements to the complaints submission process (accessibility of the Mechanism),
- provide more guidance to project teams on the ways of closing complaints and factoring in the capacity of our beneficiaries to address any eventual negative impacts identified,
- revise the publication policy.

THE SEAH SPECIAL PROCEDURE

Sexual exploitation, abuse and harassment (SEAH) are behaviours involving an abuse of power, trust or vulnerability for sexual purposes.

In 2025, AFD conducted studies in order to take such cases into account and affirm that AFD is opposed to any form of SEAH **in the projects it finances** as well as internally (0 Tolerance). It thus commits to **supporting its Beneficiaries in preventing,**

training on, and handling these cases, to the extent that its operational capacities allow.

Taking these types of violence into account meets a double imperative.

On the one hand, the fight against these kinds of violence is a fundamental obligation: they amount to serious violations of human rights, undermine equality and directly harm the safety and well-being of communities and AFD's teams.

On the other hand, AFD's institutional effectiveness and credibility are at stake: instances of SEAH compromise the quality of operations, create risks relating to reputation and non-compliance, and could lead to the loss of accreditations and delegated funds from financial institutions such as the European Union, the World Bank and United Nations agencies.

An as-hoc committee dedicated to this theme was created in 2025. The first resolutions adopted by this Committee at its meeting of 5 December 2025 were (i) to draft a policy to protect and fight against SEAH policy, and (ii) to prepare a **special procedure** for the Mechanism's handling of such cases. This procedure will allow AFD to centralise complaints concerning these types of cases and to harmonise the way in which they are handled.



3.

A new function: feedback to drive improved practices

Complaints management mechanisms help to improve institution's practices in that they transform the different complaints received into structured information that drives continuous improvement and helps professionalise teams.

KNOWLEDGE-BUILDING AND CONTINUOUS IMPROVEMENT

- Complaints management systems centralise complaints, their causes and the responses provided, thus helping to identify recurrent issues and underlying trends in the malfunctioning of funded projects. These data constitute the basis for corrective and preventive actions that help to enhance internal procedures (of the beneficiaries and AFD).
- Regular analysis of certain complaints-related indicators (statistics, reason for the complaints, processing times, channels) feed into quality approaches and continuous improvement cycles by taking complaints as a key performance indicator.

DEVELOPING PROFESSIONAL SKILLS

- Setting up a complaints mechanism often goes hand in hand with specific training on active listening, communicating with dissatisfied interlocutors and problem-solving, which helps to develop the professional skills of the teams (of beneficiaries and AFD). Feedback on dealing with complaints also provides educational input that helps fine-tune day-to-day practices.
- Empowering and sometimes upskilling the teams in charge of processing complaints strengthens commitment and establishes a culture focussed on the beneficiary and the user within organisations.

The key lessons learnt from the complaints processed in 2025 are detailed on [chapter 2](#) above.





CHAPTER 4

TRENDS AND FUTURE PROSPECTS

THE NETWORK OF “INDEPENDENT ACCOUNTABILITY MECHANISMS” (OR INDEPENDENT ENVIRONMENTAL AND SOCIAL COMPLAINTS MECHANISMS) – IAMNET¹

IAMNet is a global network grouping together 23 independent E&S complaints mechanisms² associated with development finance institutions. Its purpose is to strengthen the institutional capacities of these mechanisms so that they can fully play their role in accountability, E&S compliance and good project governance.

IAMNet’s annual assembly, which the Secretariat attended, was held from 6th to 9th October 2025.

During this event, the following trends were identified: the need to promote better access to the mechanisms for affected communities, integrate digital technologies into complaints handling, and bolster the mechanisms’ independence in an unfavourable global context.

Network members also committed to working together on harmonising data and on initiatives for reciprocal delegations in the event of co-financing. These two initiatives are not specifically tracked by AFD. However, the Agency has decided to join an IAMNet working group on the “risk of retaliation”.

In comparing itself to its peers, AFD identified several internal challenges:

- Propose adjustments to its Rules of Procedure and a specific process for handling SEAH cases (cf. [Chapter 3](#) of this report),
- Create greater awareness of the Mechanism within AFD, at Executive Committee and Board of Directors level, including inviting colleagues from other development finance institutions and public banks in a peer-to-peer approach.
- Identify and track the number of complaints related to the impacts of global warming.

GLOBAL WARMING AND ENVIRONMENTAL AND SOCIAL COMPLAINTS MECHANISMS

Complaints management mechanisms are facing a contradiction: they expect to receive an increasing number of complaints linked to climate change impacts (e.g., on infrastructure resistance to rising water levels), yet do not know how to deal with them.

Currently, no standard can establish a direct link between a complaint – i.e., a potentially negative impact – and the financing of a (highly emissive) project. For example, it cannot be proved that a gas-fired power station financed by donors in country X is responsible for rising water levels in region Y. What is driving rising water levels in region Y are all of the emissions in the atmosphere (the “common pot”), and it is impossible to calculate the exact contribution of project X.

An initial approach could be to integrate the “climate risk approach” into the World Bank’s E&S standards and lay the foundations for a new standard. Taking this avenue, some donors have begun to set emissions thresholds whereby the beneficiaries of financing agreements are bound by a yearly obligation to i. provide reporting and ii. specify mitigation measures or offsetting strategies that have been implemented.

While access to justice is limited in some countries and the judicial system does not always have the capacity to rule on climate issues in developing countries, it seems, pending the development of other solutions, that the mechanisms must pay particular attention to the principle of “free, prior and informed consent” and listen carefully to those who are the most affected by global warming.

AFD’s Complaints Mechanism will keep a close eye on how standards are developing in this sector and on this topic.

¹ [https://www.caribank.org/newsroom/news-and-events/caribbean-development-bank-hosts-22nd-annual-meeting-independent-accountability-mechanisms-network#:~:text=The%20Caribbean%20Development%20Bank%20\(CDB,from%20development%20finance%20institutions%20worldwide.](https://www.caribank.org/newsroom/news-and-events/caribbean-development-bank-hosts-22nd-annual-meeting-independent-accountability-mechanisms-network#:~:text=The%20Caribbean%20Development%20Bank%20(CDB,from%20development%20finance%20institutions%20worldwide.)

² List: [Independent Accountability Mechanisms Network \(IAMNet\)](#).

COMMUNICATION AND TRANSPARENCY

AFD is committed to transparency and has been for many years. It provides financial support to international transparency organisations and produces corporate social responsibility reports.

The Mechanism publishes and updates information on registered complaints on its website, as can be seen on the page below:

[Environmental and Social Complaints Mechanism AFD – Agence Française de Développement](#)

THE MECHANISM'S SECRETARIAT WILL ALSO SERVE AS THE SECRETARIAT FOR THE SEAH COMMITTEE

In 2026, the Secretariat will also take on the function of Secretariat for the SEAH Ad Hoc Committee (cf. Chapter 3 page 24 above).

As part of its commitment to preventing and addressing cases of sexual exploitation, abuse and harassment (SEAH), and following the agreement of Senior Management (note of 12 May 2025), AFD strengthened its internal governance by creating the SEAH Ad Hoc Committee.

The Committee's mission is to **ensure the consistency, accountability and effectiveness of AFD's SEAH policy** by overseeing the practical implementation of the Agency's commitments, the coordination of actions carried out by different workshops (prevention, response and information), and the promotion of a work and operational environment that is safe and respectful for all.

The special procedure for the Mechanism's handling of SEAH cases and the definition of a policy to combat SEAH are the first deliverables that will be submitted to the Ad Hoc Committee in 2026.

EVALUATION OF THE EFFECTIVENESS OF THE PROJECT GRIEVANCE MECHANISM (PGM)

The effectiveness of a local complaints mechanism is measured against international best practices which require that it be legitimate, accessible, predictable, equitable, transparent, compatible with human rights and a source of continuous learning. It must ensure the safety of complainants against reprisals and be culturally adapted, particularly when it comes to gender issues.

For example, a study of PGMs conducted by a consulting firm hired by AFD's Evaluation department established in several African regions revealed a significant gap between these principles and the reality on the ground. The opinions of IAMNet members are very divided. Some mechanisms consider it unnecessary to use these local mechanisms before processing a complaint, mainly on account of ineffectiveness of the PGMs.

The Mechanism notes that AFD would need a more comprehensive assessment of the PGMs.



ANNEXE 1

DEFINITIONS

AFD or the Agency: Agence Française de Développement.

Agreement: A formal agreement between the Parties after Conciliation.

Banking secrecy: Professional secrecy binding any credit establishment and any financing company, including AFD, applied to all confidential information held by such entities in the framework of their professional activity and whose disclosure would risk harming personal privacy or trade secrets.

Beneficiary: Recipient of AFD financing, responsible for executing and implementing the project thus funded. The notion of Beneficiary is extended to delegated project owners if the Beneficiary does not directly implement the project.

Closure: Process aimed at deciding whether to terminate the handling of a Complaint.

Closure Committee: Establishment of the Committee in charge of ruling on the closure of the Complaint processed by the Mechanism. The Committee's decision is based on a closure sheet (summarising the conclusions of the conciliation and/or compliance audit, as well as any other elements relevant to the treatment of the file), which is provided beforehand by the Secretariat. The Committee is composed of a representative from each of the following AFD departments: Compliance, Legal, Environmental and Social Support, the Strategy, Foresight and Official Relations department and any division able to inform the decision-making and the the Mechanism's Secretariat. It is chaired by the Ethics Advisor, who guarantees the independence of the decisions which are preferably taken by consensus or, failing this, by a majority of votes, bearing in mind that the representative of the department responsible for environmental and social support does not take part in the vote.

Complainant: Any natural or legal person who files a complaint with the Mechanism.

Complaint: A written communication filed with the Mechanism in accordance with these Rules of Procedure.

Compliance Audit: Process to determine whether AFD has complied with its Environmental and Social Risk Management Policy for a project.

Conciliation: A structured process aimed at amicably resolving differences between the Parties. Based on the Parties' responsibility and autonomy and on the confidentiality of exchanges, the Conciliation process calls on assistance from a neutral, impartial, independent third party who has no decision-making power. AFD is never a Party to the Conciliation process.

Conciliator: Conciliation expert in charge of conducting the conciliation in an independent, neutral and impartial manner.

Continuous improvement: Designates one of the functions of the Mechanism as described in the Section 11 of these Rules of Procedure.

"E&S": Environmental and Social. These environmental and social dimensions refer specifically to the AFD E&S Risk Management policy.¹

Eligibility: Process used to determine the admissibility of the Complaint based on the terms and conditions defined and the method described in the Rules of Procedure. It establishes whether or not the registered Complaint should be dealt with through a Conciliation and/or Compliance Audit.

¹ [Environmental and Social Complaints Mechanism](#) | AFD – Agence Française de Développement

Eligibility Committee: Establishment of the Committee in charge of determining the Eligibility or Non-Eligibility of the Complaint registered by the Mechanism. In the event of Eligibility, the Committee recommends one and/or the other of the two ways of dealing with the Complaint, namely Conciliation and Compliance Audit. The Committee's decision is based on the Eligibility assessment report provided by the Secretariat beforehand. The assessment is carried out by the Secretariat or by an Expert, in accordance with the terms, conditions and method set out in the Rules of Procedure. The Committee is composed of a representative from each of the following AFD departments: Compliance, Legal, Environmental and Social Support, Strategy, Foresight and Official Relations, any division able to inform the decision-making and the Mechanism's Secretariat. It is chaired by the Ethics Advisor, who guarantees the independence of decisions, which are preferably taken by consensus or, failing that, by a majority of votes, bearing in mind that the representative of the department responsible for environmental and social support does not take part in the vote.

Environmental and Social Complaints Mechanism or "The Mechanism": Mechanism governed by the present Rules of Procedure

Ethics Advisor: Appointed by the Executive Board and having a status that guarantees his/her independence, AFD Group's Ethics Advisor supervises the Environmental and Social Complaints Mechanism, which is managed by the Mechanism's Secretariat in liaison with the mandated independent Experts and relevant AFD departments.

Executive Management: AFD executive officers.

Experts: External independent Experts, individually mandated by the Mechanism's Secretariat to assist with all or part of the three Complaint processing steps: Eligibility assessment of the Complaint, Conciliation mission, Compliance Audit.

Foreign country: Any country in which AFD operates

Impacts: All development projects carry potential risks of negative impacts, particularly environmental and social ones. AFD, in the framework of its environmental and social risk management policy, considers direct, indirect, cumulative and induced risks and impacts in the project's area of influence.

Parties (to the Conciliation): These denote the natural or legal persons participating in a conciliation. These comprise the Author of the Complaint or his/her/its Representative and the Beneficiary of the AFD funding; sometimes, also other third parties involved with the issue(s) raised in the Complaint.

Person affected by the project: Any natural or legal person exposed either temporarily or permanently to the E&S risks or negative impacts induced by the AFD-funded project.

Project: A project financed by AFD in a Foreign Country, whether through a loan or grant and which falls within the scope of AFD's environmental and social risk management approach. The term "project" can designate a specific project, a programme comprising different projects or a sub-project.

Registration: The process, upstream of Eligibility Assessment, that involves recording in the tracking register of the E&S Complaints Mechanism that a Complaint has been received and that it meets the terms and conditions of admissibility as defined in the Rules of Procedure.

Remedy: In compliance with the United Nations definition, remedy describes the process and the outcome that seek to restore human dignity.²

It involves a set of actions (which can be summarised in a specific action plan following a compliance audit or in a conciliation agreement) aimed at countering or offsetting the negative impacts identified within the context of a project. The implementation of the corrective actions is the exclusive responsibility of the AFD Beneficiary. The Secretariat of the E&S Complaints Mechanism and the project teams are responsible for monitoring this implementation.

Representative: Individual or entity duly authorized by the Complainant(s) to represent the Complainant(s) and to act in his/her/their name regarding a Complaint filed with the Mechanism.

Retaliation: Retaliation denotes any act of violence, threat, intimidation or discrimination against a person or the people associated with them in response to either a referral to the Mechanism or to their cooperation with the Mechanism. In line with the United Nations Human Rights Council definition, retaliation can include physical, psychological or economic harm, take place online or offline, and be carried out by state or non-state actors. The San José Guidelines recall that the absence of reprisals is a prerequisite to guarantee effective access to any grievance mechanism.

Rules: The present Rules of Procedure of the E&S Complaints Mechanism.

² <https://www.unepfi.org/humanrightstoolkit/remedy/>.

Remedy has a legal framework based on the reporting framework in compliance with the United Nations' Guiding Principles

Remedy can be in various forms, including:

- Apology (including acknowledgement of harm done)
- Restitution (restoring someone or something to its former condition prior to the harm or impact)
- Rehabilitation (facilitating someone's recovery from harm, which may include medical or psychological care as well as legal and social services)
- Compensation (including both monetary and non-monetary forms) not applicable to AFD
- Sanction by AFD (including contractual sanctions and penalties)
- Guarantees of non-repetition (including specific measures, mitigants, and activities to ensure that human rights abuses do not re-occur).

SEAH: Sexual exploitation, abuse and harassment.

Sexual exploitation	Sexual exploitation is any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, often for monetary, social or political gain.
Sexual abuse	Sexual abuse is the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions.
Sexual harassment	Repeated unwelcome remarks or conduct of a sexual or sexist nature that violate an individual's dignity, creating an intimidating, hostile or offensive situation. Any form of serious pressure, even unrepeated, aimed at coercing a sexual act is deemed sexual harassment.

Secretariat of the Mechanism or “the Secretariat”: Responsible for managing E&S Complaints, the Secretariat is specifically in charge of receiving and registering Complaints and conducting the preliminary Eligibility analysis, as well as monitoring the processing of E&S Complaints. Hosted within the Strategy department under the supervision of the AFD Group Ethics Advisor, the Secretariat acts independently of the Operations Executive Management.

Steering Committee: Committee that ensures the smooth running and functioning of the Complaints Mechanism and also lays down its general guidelines. It is made up of representatives from the following AFD departments: Compliance, Legal, Operations, Environmental and Social Support, partnerships with CSOs, Strategy, Foresight and Official Relations, and the Complaints Secretariat. Other departments may be called on to sit on the Committee in line with the Agenda of the Steering Committee. It is chaired by the Ethics Advisor.

Working days: Days when AFD’s Paris office is open in Paris: from and including Monday to Friday, excluding French public holidays.

For a world in common

AFD Group finances and drives the transition to a fairer, safer and more resilient world, working with its partners to support communities all over the world. Drawing on the complementary strengths of its entities – Agence Française de Développement for public financing, Proparco for responsible private investment, and Expertise France for technical expertise – the Group is ideally positioned to meet all sustainable development challenges.

Working in over 160 countries, including France's Overseas Territories and Departments, the Group adapts its operations to the realities on the ground, actively supporting local initiatives. With over 4,000 projects, whose objectives are aligned with the Sustainable Development Goals (SDGs), AFD Group works on behalf of the French people, together with all stakeholders committed to economic development and the preservation of common goods: climate, biodiversity, peace, gender equality and global health.

Working by your side, toward a world in common.



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