



# **Rules and Procedures for Complaints Review**

Adopted by the Managing Director on 10 May 2021 with entry into force 11 May 2021.

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## Responsible Department / Function

Ethics and Compliance

## Document version history and review dates

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These Rules shall be reviewed on a regular basis, however at least every 3 years.

# Rules and Procedures for Complaints Review

## 1. Introduction and Scope

1.1. NEFCO recognizes the importance of addressing complaints and grievances made by individuals or entities who consider that they have been adversely affected by a decision or action by NEFCO or by a NEFCO funded project. NEFCO is committed to addressing such complaints in a fair, transparent and efficient manner.

1.2. The principles and procedures set out in these Rules and Procedures for Complaints Review (the “Rules”) shall apply to the receipt, review and handling of complaints and grievances (jointly “complaints”) submitted by an individual, a group of individuals or a legal entity which in its view has been or may be adversely affected

- a) by a decision or action by NEFCO or a NEFCO counterparty which under a contract with NEFCO i) receives funding from or through NEFCO for the purpose of a project or ii) implements a NEFCO funded project; or
- b) by a NEFCO funded project,

due to alleged non-compliance with NEFCO’s legal framework and safeguards, or operational rules and procedures applicable to specific facilities or programmes.

1.3. These Rules do not apply to complaints or reports related to policies or rules where specific procedures for complaints or reports are set out in said policy or rules<sup>1</sup>.

## 2. Filing a Complaint

2.1. Any individual, group of individuals or legal entity which in its view has been or may be adversely affected as set out in Article 1.2 above may file a complaint with NEFCO. The complaint shall be addressed to NEFCO’s Ethics and Compliance Department:

*By email: [complaints@nefco.fi](mailto:complaints@nefco.fi)*

*By webform: [nefco.org/complaints](http://nefco.org/complaints)*

*By mail:*

*Ethics and Compliance Department*

*NEFCO*

*P.O. Box 241*

*FI-00171 Helsinki*

*Finland*

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<sup>1</sup> This includes any reports relating to i) Prohibited Practices as defined in NEFCO’s Policy on Anticorruption and Compliance, ii) any reports relating to NEFCO’s Policy on Prevention of Sexual Exploitation, Sexual Abuse and Sexual Harassment as well as iii) any report relating to breach of the NEFCO Code of Conduct for Staff.

- 2.2. A complaint may be submitted on the complainant's behalf by a representative duly authorized by the complainant.
- 2.3. a) A complaint shall be submitted to the Ethics and Compliance Department in writing by email, letter or the dedicated form on NEFCO's website, identifying the project that the complaint relates to and clearly describing what the complaint is about and attaching documentation the complainant considers relevant. To the extent possible, the complaint shall describe which of NEFCO's policies, rules and/or procedures have allegedly not been complied with and to what extent the violation of such policy and/or procedure has or may adversely affect the complainant. The complainant shall also provide sufficient contact information in order for NEFCO to be able to follow up with possible questions and a response.  
  
b) Verbal complaints may exceptionally be accepted, in which case the Chief Ethics and Compliance Officer will summarise the information provided by the complainant and have the summary confirmed by written signature or through email correspondence with the complainant or her/his/its authorized representative.
- 2.4. Complaints made under these Rules are as a general principle not considered confidential in order for NEFCO to be able to communicate with relevant internal and external parties during the initial assessment and review of the complaint. The complainant has the right to request that a complaint should be treated as confidential, which should then be clearly indicated in the complaint. NEFCO shall respect the request for confidentiality to the extent possible, noting however that this may affect the handling of the complaint.

### **3. Initial Complaints Assessment, Timelines, Exclusions**

- 3.1. The Chief Ethics and Compliance Officer shall review the information provided in the complaint in order to make an initial assessment of the complaint, and may in doing so consult as needed with other functions within NEFCO. Additional information may be requested from the complainant or, where relevant, the authorized representative.
- 3.2. Within 30 days from the receipt of the complaint, the Chief Ethics and Compliance Officer shall make the initial assessment and determine if the complaint falls within the scope of these Rules, as described in Article 1.2 above.
- 3.3. NEFCO shall not be obliged to consider a complaint submitted on or after the earlier of the date which is (a) one (1) year from the date the complainant became aware of the decision or action referred to in Article 1.2 above, or (b) one (1) year from the completion of the implementation of the NEFCO funded project.
- 3.4. A complaint shall not be eligible for review under these Rules if the matter is to be handled by a separate reporting mechanism in accordance with Article 1.3 above or if NEFCO concludes that the complaint is:
  - a) malicious or fraudulent;

- b) made solely to gain a competitive advantage;
- c) related to NEFCO's mandate;
- d) concerns a decision to provide or not provide financing to a certain project;
- e) anonymous; or
- f) solely related to the adequacy of the applicable rules.

3.5. Upon completion of the initial assessment by the Chief Ethics and Compliance Officer, the complainant shall be informed of the result of the initial assessment and if a complaint review will be carried out or not. If it is concluded that the complaint does not qualify for a complaint review, the reasons for this shall be provided to the complainant.

3.6. NEFCO may if deemed appropriate combine complaints relating to the same decision, action or project and conduct a complaint review covering two or more complaints at the same time.

#### **4. Complaint Review Process**

4.1. In a complaint review, the focus shall be on identifying if any deviation from applicable rules, policies and procedures has taken place and if such deviation has or may adversely affect the complainant. A complaint review shall be conducted in a fair, transparent and efficient manner, taking into consideration all information reasonably available to NEFCO.

4.2. If the complaint is limited in scope and complexity, the Chief Ethics and Compliance Officer shall review the matter. The Head of the Department(s) the complaint relates to shall be provided an opportunity to comment on the matter. Following such review, a conclusion and, where relevant, recommendation for action, shall be provided within 45 days from receipt of the complaint by the Chief Ethics and Compliance Officer to the Managing Director for decision on the matter. The decision by the Managing Director shall normally be made no later than 7 days after receiving the recommendation from the Chief Ethics and Compliance Officer.

4.3. If the matter is of a more complex nature or would otherwise benefit from a broader review, the Chief Ethics and Compliance Officer shall recommend to the Managing Director that a review panel is established. The Managing Director shall appoint 3-5 persons with relevant competences to the review panel, including the Chief Ethics and Compliance Officer who will act as chair of the panel. The panel members may be NEFCO staff members, NEFCO consultants, staff members of the Nordic Investment Bank or Nordic Development Fund or external experts. The panel members shall not previously have worked directly with the project, activity or matter that the complaint relates to.

4.4. The chair of the panel shall prepare a work plan, including scope and timeline for the review, which as a general rule shall not exceed 90 days from the date of appointment of the panel, and share these with the Managing Director.

4.5. The panel shall request information from all relevant parties as needed, including from the complainant and external expertise. The Head of the Department(s) the complaint relates

to shall be provided an opportunity to comment on the matter. The panel's work shall be minuted.

- 4.6. The conclusions of the panel shall be presented to the Managing Director including, where relevant, action recommended to be taken to correct any non-compliance.
- 4.7. The Managing Director shall review the conclusion and recommendation presented by the review panel and may request additional information as needed. The Managing Director shall make the decision no later than 14 days after receiving the review panel's recommendation.
- 4.8. The Chief Ethics and Compliance Officer shall without delay inform the complainant of the decision made by the Managing Director.
- 4.9. Any recommendation for or decision on corrective action may or may not include actions or measures that are to the benefit of the complainant. A complaint that is considered substantiated will not automatically alter the outcome of a certain process or decision.

## **5. Registration, Reporting, Monitoring**

- 5.1. NEFCO shall register all complaints submitted to NEFCO as well as the outcome of the initial assessment and, where relevant, the outcome of the complaint review.
- 5.2. The Board of Directors shall be informed at least annually about the complaints received and assessed as well as of the outcome of any complaint reviews.
- 5.3. Depending on the nature of the complaint, the implementation of the decision shall be monitored by the Ethics and Compliance function, or other relevant function at NEFCO, as specified in the decision by the Managing Director.

## **6. Implementation and Review**

- 6.1. The Managing Director shall make such administrative arrangements that are needed to implement these Rules.