



**ZEP-RE**  
**(PTA REINSURANCE COMPANY)**

## **GRIEVANCE MECHANISM PROCEDURES**

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## **ACRONYMS**

BOD	Board of Directors
COMESA	Common Market for Eastern and Southern Africa
CSR	Corporate Social Responsibility
ES	Environmental and Social
ESF	Environmental and Social Framework
ESMS	Environmental and Social Management System
ESSP	Environmental and Social Safeguard Policies
NGO	Non-governmental Organization
ZEP-RE	ZEP-RE (PTA Reinsurance Company)

## DEFINITIONS

<b>Grievance</b>	means an issue, concern, problem, or claim (perceived or actual) that an individual or community group wants addressed by the company in a formal manner.
<b>Grievance Mechanism</b>	means a formalised way to accept, assess, and resolve community complaints concerning the performance or behaviour of the company, its contractors, or employees. This includes adverse economic, environmental, and social impacts.
<b>Internal Stakeholders</b>	means groups or individuals within a business who work directly within the business, such as employees and contractors.
<b>External Stakeholders</b>	refers to individuals or groups who: (a) are affected or likely to be affected by the project (project-affected parties); and (b) may have an interest in the project (other interested parties). The stakeholders of a project will vary depending on the details of the project. They may include local communities, national and local authorities, neighbouring projects, and nongovernmental organizations.

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## I. INTRODUCTION

ZEP-RE (PTA Reinsurance Company) was established in 1990, envisioning three main purposes, namely: (i) fostering the development of the insurance and reinsurance industry in the Common Market for Eastern and Southern Africa (COMESA) region, (ii) promoting the growth of national, and regional underwriting and retention capacities; and (iii) supporting the regional economic development.

One of ZEP-RE's corporate values is that of being a responsible corporate citizen. To this end, the Company has a Corporate Social Responsibility (CSR) strategy defining targeted CSR initiatives within the COMESA sub-region.

In the process of executing its CSR mandate and carrying out its business activities, including infrastructure developments, ZEP-RE is committed to avoiding adverse environmental and social (E&S) risks and impacts, as well as adopting a gender-sensitive approach for all related activities. ZEP-RE remains conscious of existing and emerging environmental and social challenges across Africa and the importance of these issues being addressed.

To protect its reputation and to maintain credible business and stakeholder relationships with regional and international partners, ZEP-RE implemented an E&S Policy and Environmental and Social Management System (ESMS) to ensure that ZEP-RE, its activities and transactions are in compliance with the highest international standards and best practices in environmental and social management, as well as applicable national laws and regulations.

The grievance mechanism is a critical component of ZEP-RE' E&S Policy and ESMS. The purpose of this document is to formalize the management of grievances from ZEP-RE's stakeholders and broader community, minimize the social and environmental risks to the business, and protect ZEP-RE's reputation. The grievance process and procedures, outlined in the document, provide an avenue for stakeholders to voice their concerns and give transparency on how grievances will be managed internally. This aims to reduce conflict and strengthen relationships with external stakeholders.

## II. SCOPE

This grievance mechanism procedure applies to all external stakeholders of ZEP-RE. It does not cover grievances raised by internal stakeholders, such as employees, who are to refer to ZEP-RE's internal grievance standard located on ZEP-RE's intranet.

Specific and localised grievance mechanisms need to be put in place by ZEP-RE's insurance intermediaries, which will consider local language, customs, and other factors. For ZEP-RE's insurance intermediaries providing drought microinsurance<sup>1</sup>, this is a mandatory requirement.

## III. GRIEVANCE REPORTING CHANNELS

There are various channels that ZEP-RE will utilize for external stakeholders to vocalise their grievances. These will include:

**Telephone** Stakeholders can call ZEP-RE's head office on +254 020497300/2738221 and request to speak to a Stakeholder Manager.

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<sup>1</sup> Under "De-risking, inclusion and value enhancement of pastoral economies in the Horn of Africa" project financed by the World Bank

**Email** Grievances can be sent to mail@zep-re.com.

**Face to Face** Stakeholders can voice their grievance to any employee who will then follow the process (See Section V).

**Online Form** Stakeholders can complete a grievance form located on ZEP-RE's website (Annex 1).

ZEP-RE will communicate this grievance procedure to its external stakeholders to raise awareness and offer transparency of how stakeholders can voice their grievances.

## **IV. ROLES AND RESPONSIBILITIES**

For the grievance mechanism to be functioning well, ZEP-RE has envisioned a number of roles and responsibilities. They include the following:

### **Stakeholder Manager:**

- Receives grievances and assigns a grievance owner.
- Makes sure the grievance mechanism procedure is being adhered to and followed correctly.
- Maintains the grievance register and monitors any correspondence.
- Monitors grievances/trends over time and reports findings to the CEO; and
- Raises internal awareness of the grievance mechanism among employees and contractors.

### **Grievance Owner:**

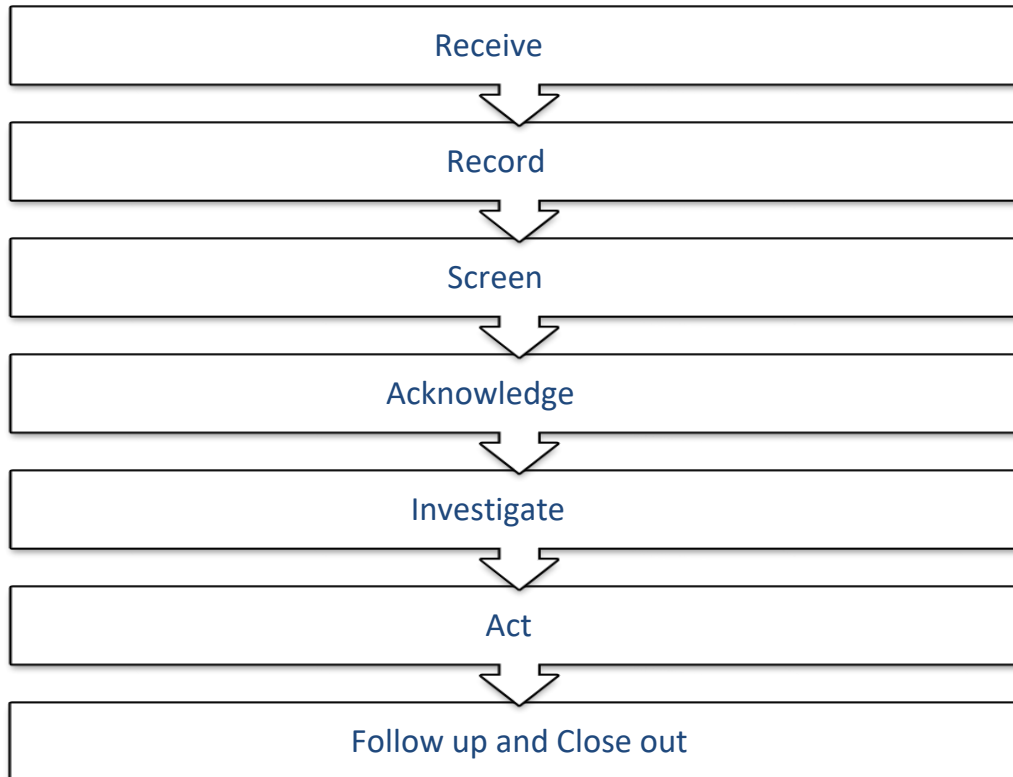
- Employee investigating the grievance and liaising with the external stakeholder/s.
- Develops resolutions and actions to rectify any issues.
- Follows up and tracks progress of grievance.
- Documents any interactions with external stakeholders.
- Supports and reports to Stakeholder Manager.

### **Employees:**

- Receive grievances in person.
- Report grievance to the Stakeholder Manager by lodging the Grievance Lodgement Form.
- May provide information and assistance in developing a response and close out of a grievance.

## V. GRIEVANCE MECHANISM PROCEDURE

ZEP-RE will use the following process to resolve any grievances:



### 5.1. Receive

**In person/over the phone:** If a grievance is received face to face or over the phone and the stakeholder wishes to address the grievance formally, it is the responsibility of the employee who receives the grievance to complete a Grievance Lodgement Form (see Annex 1). The employee completes the Grievance Lodgement Form and passes it to Stakeholder Manager for processing.

**Electronic:** The Stakeholder Manager receives all grievances that come through via email or ZEP-RE's website directly. The Stakeholder Manager has the responsibility to review the grievance form and process the grievance in accordance to this procedure.

### 5.2. Record

To log in a systematic manner all grievances, an External Grievance Register will be used (see Annex 2). All Grievance Lodgement Forms will be saved in ZEP-RE's intranet for record of correspondence.

### 5.3. Screen

Once the grievance is received, the Stakeholder Manager has a responsibility to assign a grievance owner to liaise with the external stakeholder (s) and to work on a resolution. The Stakeholder Manager will also screen the grievances depending on the level of

severity to determine who the grievance owner will be and how the grievance is approached.

The table below illustrates the categorization of different levels:

Category	Description	Grievance Owner
Level 1	When an answer can be provided immediately and/or ZEP-RE is already working on a resolution. (Only formal grievances to be lodged in the External Grievance Register)	Stakeholder Manager
Level 2	One off grievance that will not affect the reputation of ZEP-RE.	Stakeholder Manager or above, when applicable
Level 3	Repeated, extensive and high-profile grievances that may jeopardize the reputation of ZEP-RE.	Executive level

#### 5.4. Acknowledge

The assigned grievance owner must acknowledge a grievance within three working days of a grievance being submitted. Communication can be made either verbally or in written form (stakeholders will outline their preferred method of contact on the Grievance Lodgement Form, see Annex1).

The grievance owner should include in the acknowledgment a summary of the grievance, method that will be taken to resolve the grievance and an estimated timeframe in which the grievance will be resolved. If required, the acknowledgment should provide an opportunity to ask for any additional information or to clarify any issues.

#### 5.5. Investigate

The grievance owner is responsible for investigating the grievance. The process of investigation may require the grievance owner to make site visits, consult employees, contact external stakeholders, and complete other activities. Records of meetings, discussions and activities need to be recorded and documented. Once the information gathered is investigated, a determination will be made as to how the grievance is handled and what steps need to be taken in order to resolve the grievance.

#### 5.6. Act

Once the investigation is completed, the grievance owner will use the findings to create an action plan outlining steps to be taken to resolve the grievance. The grievance owner is responsible for assigning actions, monitoring actions undertaken, and making sure deadlines are adhered to. Once all actions have been completed and the grievance owner feels the grievance has been resolved, the grievance owner will then formally advise the external stakeholder via their preferred method of contact.



### 5.7. Follow Up and Close

Three weeks after the grievance is resolved, the grievance owner will contact the external stakeholder(s) to verify that the outcome was satisfied and gather any feedback on the grievance process. Minutes of the meeting need to be recorded and saved in ZEP-RE's intranet.

If required, the grievance owner may need to follow up with the external stakeholder on numerous occasions to confirm all parties are satisfied.

## VI. APPEAL

In case the external stakeholder is not satisfied with the resolution or the proposed actions, the grievance owner needs to escalate the matter to the executive management team. The executive team will review the grievance and all documentation gathered throughout the investigation and determine whether further actions are required to resolve the grievance.

ZEP-RE is fully committed to resolving an external stakeholder's grievances. Thus, in cases in which it may not be able to resolve a complaint, or a stakeholder is not satisfied with the outcome, ZEP-RE may seek advice from other independent parties.

## VII. REPORTING

ZEP-RE's executive management team and the Board of Directors will receive semi-annual updates on stakeholder grievances. The semi-annual updates will contain information outlining the number of grievances, time to resolution, and outcomes of grievances. The summary of grievances will also be reported in ZEP-RE's Sustainability Reports available publicly. ZEP-RE will also report the stakeholder grievance to its investors, with frequency and format as required by the investors.

This Grievance Mechanism procedure will be evaluated every two years (or when required) to continually improve its stakeholder engagement.

## VIII. RECORD KEEPING

All records, including grievance forms, investigation notes, interviews and minutes of meetings will be securely filed in ZEP-RE's intranet to ensure privacy and confidentiality is maintained for all parties involved.

## XIX. REFERENCES

This grievance mechanism is in line with the best international practice, particularly with the Environmental and Social Safeguard Policies (ESSP)<sup>2</sup> and the Environmental and Social Framework (ESF) of the World Bank.<sup>3</sup>

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<sup>2</sup> World Bank. Environmental and Social Safeguard Policies. Available at <https://www.worldbank.org/en/projects-operations/environmental-and-social-policies>

<sup>3</sup> World Bank. Environmental and Social Framework. Available at <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>

## ANNEX 1. GRIEVANCE LODGEMENT FORM

<b>Name:</b>			<input type="checkbox"/> Please do not use my name when talking about this concern in public
<b>Company: (if applicable)</b>			
<b>Date:</b>		<b>Time:</b>	
<b>Preferred Contact Method:</b>	Telephone: Email: Mail: Address:		
<b>Please describe your grievance</b>			
<b>What resolution/outcome are you expecting?</b>			
<b>Additional Information/ Attached Documentation</b>			
<b>Signature</b>			

### Office Use Only

Stakeholder Reference	Mark with X, if applicable			
	NGO	X	Government	
	Pastoralist		Government - Local	
	Indigenous		Insurance Company	
	Neighbour		Contractor	
	Other		Consultant	
	Comment:			

# ANNEX 2. EXTERNAL GRIEVANCE REGISTER

External Grievance Register									
Stakeholder	Date received	Stakeholder Contact Officer	Grievance Owner	Grievance Level (1, 2, 3)	Grievance Description	Cause of the grievance	Outcome	If a resolution was offered please indicate 'accepted' or 'not accepted'.	Actions/ Notes