



Grievance Redress Mechanism

for employees of the Project Implementation Unit, as well as for engaged external associates of the project "Scaling up Residential Clean Energy"

(SURCE)

The Ministry of Mining and Energy, through this document, provides clear guidelines on how the provisions of the Labor Law, other regulations of the Republic of Serbia governing occupational health and safety, as well as good international practices in these areas, should be applied to the "Scaling up Residential Clean Energy" Project (SURCE).

Additionally, through the Loan Agreement with the World Bank and the Law on Ratification of the Loan Agreement adopted by the National Assembly of the Republic of Serbia, the Ministry has committed to fully implementing the objectives and requirements set out in the World Bank's Environmental and Social Standards (Standard No. 2 – Labor and Working Conditions) during the implementation of the Project. This includes ensuring that all employees within the Project Implementation Unit (PIU), as well as external consultants (individuals), operate in an environment where they can contribute effectively and support the achievement of the Project's planned results.

The Ministry of Mining and Energy and the Project Implementation Unit, which manages and implements the "Scaling up Residential Clean Energy" project, are:

- Committed to ensuring that all personnel directly employed within the PIU, as well as
 external consultants (individuals), including staff from the Central Fiduciary Unit of
 the Ministry of Finance, are able to raise concerns and submit grievances—including
 anonymous grievances—regarding processes or actions that may violate their human
 or labor rights;
- Prepared to ensure that no discrimination will occur against individuals who submit
 grievances, and committed to treating all grievances with strict confidentiality, in
 accordance with the Labor Law, the World Bank's Environmental and Social
 Standard No. 2 (Labor and Working Conditions), and the Project's Labor
 Management Procedures (LMP);
- Dedicated to addressing all grievances seriously and ensuring that swift and appropriate actions are taken in response;
- Clear that this grievance mechanism does not replace other official grievance resolution channels as defined under the Labor Law or by other relevant internal documents of the Ministry of Mining and Energy (where applicable).

1. Scope of Application

Issues that may give rise to grievances include (but are not limited to): terms of employment, occupational health and safety, labor relations, bullying and harassment, intimidation or coercion, new work practices, sexual harassment, the working environment, organizational changes, and discrimination.

The PIU also follows policies and procedures aligned with the Law on the Protection of Whistleblowers, enabling employees and external collaborators to report unlawful activities, violations, or misconduct. However, if an employee is directly affected or feels victimized as a result of whistleblowing, they may initiate proceedings under this grievance mechanism.

The grievance mechanism is available to all employees of the Project Implementation Unit, as well as to external collaborators engaged under the "Scaling up Residential Clean Energy" project.

2. Grievance Redress Mechanism

The grievance redress mechanism is a procedure that provides a clear and transparent framework for resolving complaints related to the engagement, employment, and work processes within the "Scaling up Residential Clean Energy" project. This procedure, as an internal protocol of the Project Implementation Unit and the Ministry of Mining and Energy, will be carried out through several steps: informal contact, grievance submission, grievance review, response, and feedback. Additionally, the requirements of the World Bank's Environmental and Social Standards (Standard No. 2 – Labor and Working Conditions), as well as the Project's Labor Management Procedures (LMP), will apply to all phases of employment and engagement of staff and external collaborators, including the period of their employment or engagement.

The provisions of the Labor Law, Chapter 5 – Prohibition of Discrimination, as well as Articles 18 through 23, clearly define that: "Direct and indirect discrimination against job seekers and employees is prohibited, regardless of gender, birth, language, race, skin color, age, pregnancy, health condition or disability, nationality, religion, marital status, family obligations, sexual orientation, political or other beliefs, social background, financial status, membership in political organizations, trade unions, or any other personal characteristic."

The Labor Law also clearly stipulates that, in the event of any rights violation, it is possible to file a grievance with the relevant authority if any rights have been breached by the employer or a supervisor.

Grievances under this mechanism may address a wide range of issues encountered by employees or engaged collaborators, including potentially unlawful engagement or employment, workplace discrimination, intimidation, coercion, sexual harassment, or victimization, issues related to salary or compensation payments, poor interpersonal relationships in the workplace.

Key principles of this grievance mechanism are:

- Transparency
- Impartiality
- Confidentiality of information
- Accessibility
- Timeliness

3. Grievance Redress Mechanism Framework

The following section provides a set of guidelines and step-by-step procedures for submitting complaints by employees and external collaborators. These procedures are aligned with ESS2 of the World Bank (Labor and Working Conditions) and the Project's LMP and apply to all personnel employed within the Project Implementation Unit, as well as to all external collaborators engaged in the implementation of the "Scaling up Residential Clean Energy" project.

Step 1. Informal Contact/Conversation

Step 2. Initiation of the Grievance Procedure

Step 3.
Meeting on the
Justification/Resolution of the
Grievance

Step 4. Appeal

Step 1 – Informal Dialogue and Addressing Grievances

All employees within the Project Implementation Unit (PIU), as well as external collaborators and staff from the Central Fiduciary Unit of the Ministry of Finance, are encouraged to use informal methods to resolve disagreements or disputes through direct communication with the Central Grievance Manager, other PIU members, the PIU Director, or other engaged associates. If an employee or engaged collaborator has grounds for a complaint or grievance regarding their work or interactions with colleagues, they are encouraged—wherever possible—to discuss the issue with the Central Grievance Manager or the PIU Director. If the person does not feel comfortable speaking with the Director, they

may instead address the matter with another trusted PIU member who can assist in resolving the issue.

It may be possible to reach an informal agreement between the employee or engaged individual and the PIU Director—or, if not involving the Director, between two employees themselves—on a mutually acceptable solution. Dialogue and discussion can often lead to faster resolution of disputes, providing all parties with an equal opportunity to express their perspectives and agree on a way forward. If such discussion does not lead to a resolution, it is still possible to proceed with an informal approach without triggering the formal procedure. For example, a representative of the World Bank may serve as a point of contact for an informal meeting or continued dialogue that may result in a solution. The PIU Director or the Central Grievance Manager is obligated to inform the person who has experienced any form of abuse or violence of all steps required to initiate the grievance process, as well as of the channels available to submit the grievance to the appropriate persons for handling. A record of all contacts within this grievance mechanism must begin with Step 1. The Central Grievance Manager is responsible for maintaining the grievance record in the internal grievance tracking table (Annex 2).

Step 2 – Initiation of the Grievance Procedure

If the discussion with the Central Grievance Manager or the PIU Director—or, in cases where the Director is involved in the grievance and must be excluded, another PIU member—does not result in a resolution, and/or the employee wishes to formally initiate the grievance procedure, a written grievance should be submitted no later than seven (7) days after the unsuccessful discussion. The grievance should be sent via email to: zaposleni.zalbe.surce@mre.gov.rs. The submission must be factual and include a clear complaint regarding the process, action, or individual in question. The person submitting the grievance will receive a response within no more than fourteen (14) days from the date of submission. Access to the grievance email account must be granted to at least two members of the Project Implementation Unit. A grievance submission form is provided in the annex of this document. An electronic version of the form is available for download at: https://www.mre.gov.rs/tekst/2206/dokumenta.php

Step 3 – Clarification Meeting and Grievance Resolution

The Central Grievance Manager will invite the employee or external collaborator to a meeting to discuss the complaint within a maximum of fifteen (15) days from receipt. The employee may request that a PIU colleague be present at the meeting for support.

After the meeting, the Central Grievance Manager will provide the employee with a written summary (within no more than seven (7) days), signed by both parties, along with a written decision if one has been reached.

If additional time is needed to evaluate the grievance, the complainant will be informed of the decision in writing within two (2) weeks.

For each individual grievance case, the PIU Director will appoint an ad hoc grievance committee composed of three (3) members of the Project Implementation Unit to review and decide on the matter. If the PIU Coordinator must be excluded from the process due to the nature of the grievance, the Central Grievance Manager will determine the composition of the ad hoc grievance committee under the project "Scaling up Residential Clean Energy"

Step 4 – Appeal

If the employee is dissatisfied with the decision regarding their complaint, they should formally notify the Central Grievance Manager in writing within seven (7) days.

In such a case, the employee or external collaborator will be invited to a grievance appeal meeting, during which the Central Grievance Manager will ...will inform them about the next steps within the grievance mechanism, i.e., that the employee may escalate the matter to the Second-Instance Grievance Committee under the project "Scaling up Residential Clean Energy." The employee or engaged collaborator who filed the complaint will have the right to present all facts in the presence of a colleague or union representative, to request legal protection and remedies, and to receive the official minutes from the committee session.

Following the session of the Second-Instance Grievance Committee, the Central Grievance Manager will provide the employee with a final decision within a predetermined deadline, and no later than seven (7) days after the session. This decision will be final within the internal grievance mechanism.

If the complainant is not satisfied with the final internal decision, they may seek assistance and support from the Labor Inspectorate of the Ministry of Labor, Employment, Veteran and Social Affairs.

The complainant has an absolute right to confidentiality regarding all information disclosed at any stage or level of the grievance process.

4. Grievance Redress Mechanism for External Collaborators

The Ministry of Mining and Energy and the Project Implementation Unit (PIU) fully guarantee that all external collaborators involved in the "Scaling up Residential Clean Energy" project will have equal access to the grievance mechanism, just like any other individuals directly engaged in the project. This includes, for example, employees of the Central Fiduciary Unit of the Ministry of Finance, or contractors providing services under the Project. The grievance mechanism will be publicly available on the official website: https://www.mre.gov.rs/tekst/2206/dokumenta.php, and all parties involved or to be involved in project-related activities will have the opportunity to familiarize themselves with it.

The grievance procedures for all engaged individuals are based on the same principles as those applicable to PIU staff. The Ministry and the PIU will ensure that external collaborators have equal access to an effective grievance mechanism, aligned with the goals and requirements of World Bank Environmental and Social Standard 2 (ESS2 – Labor and Working Conditions) and the Project Work Regulation.

5. Grievance Redress Mechanism in Cases of Sexual Harassment and Abuse

In cases of sexual harassment or abuse in the workplace, faster and simplified grievance procedures may apply. Confidentiality and discretion are especially important in such cases, as well as the possibility of anonymous complaints. Victims of sexual harassment may feel too intimidated to file a complaint themselves, so in such situations, a formal grievance can be submitted by a third party authorized by the victim.

An effective grievance process for sexual harassment and abuse must include the following elements:

- A. The Ministry of Mining and Energy (MoME) and the Project Implementation Unit (PIU) take all cases of harassment seriously, regardless of the complainant's identity.
- B. The Ministry of Mining and Energy and the Project Implementation Unit will ensure that every person, whether employed on the "Scaling up Residential Clean Energy" project or engaged as an external collaborator, can report harassment anonymously, whenever and wherever possible.
- C. MoME and PIU ensure that complaints are addressed consistently and within a specified timeframe, as required by the legal standards of the Republic of Serbia.
- D. MoME and PIU warn all participants involved in the process about forms of unacceptable behavior.
- E. MoME and PIU emphasize the need to punish the person who has harassed or abused others in accordance with the provisions of the laws applicable to this process or area.

The confidentiality of the data provided in cases of sexual harassment or abuse in the workplace will be protected throughout the process of resolving this issue. All individuals involved in the process are obligated to maintain confidentiality and under no circumstances share this information with others outside the specified process and actions.

Victims of sexual harassment or abuse may be reluctant to report their experiences if they fear that their privacy will be compromised or if they worry about retaliation. Protecting confidentiality ensures that individuals feel safe and supported when coming forward with their grievances, while also upholding the integrity of the process. Ensuring confidentiality in such sensitive cases will be provided through:

- Clear communication about confidentiality
- Anonymous reporting options
- Restricted access to information
- Sensitive handling of identifying information
- Confidential interviews and investigations
- Non-retaliation policies
- Final Resolution without disclosing sensitive details
- Data protection and compliance with laws
- Post-investigation confidentiality

The Central Complaints Manager or the Director of the Project Implementation Unit is required to inform the person who has reported experiencing sexual harassment or abuse through this complaint mechanism about all available forms of support and mechanisms in the Republic of Serbia (psychosocial, judicial, police, and health-related). A list of relevant institutions is provided in Chapter "8" of this document.

6. Guidelines for Implementing the Grievance Redress Mechanism

Each individual grievance must be approached seriously and consistently, in an impartial, confidential, and transparent manner. This ensures that the grievance mechanism will be used effectively and applied appropriately.

All employees and external collaborators involved in the "Scaling up Residential Clean Energy" project must be made aware of the grievance mechanism at the moment they begin their work or engagement, and they must receive a copy of it.

The grievance mechanism must allow for a thorough investigation of complaints while also providing a swift resolution. The longer the process for addressing complaints and finding a solution, the more difficult it becomes for both parties to return to a constructive resolution. Time limits are set for each phase of the process, such as the maximum time allowed between the submission of a complaint and scheduling a meeting of the grievance committee.

Once a complaint is formally submitted, it is important to maintain appropriate written records to ensure transparency and allow for any necessary review of the procedure or decision. The original text of the complaint must be in written form, signed by the complainant, and submitted on the grievance form (Annex 1). If the complainant wishes to remain anonymous, they must indicate this on the grievance form, and it should not be signed. The response to the complaint will also be in written form and signed by the responsible person from the Project Implementation Unit (PIU) or the relevant person from the Ministry of Mining and Energy. All actions taken, along with the reasons for them, will be documented, such as the meeting of the grievance committee. Minutes from all meetings will be recorded and signed by both parties. The documentation that is part of the grievance mechanism will respect workers' rights to privacy and data protection.

All employees or engaged individuals must be informed that they have the right to further pursue judicial or administrative channels, such as the Labor Inspectorate, the Protector of Citizens, or other institutions of the Republic of Serbia.

In cases of serious violations of labor rights, or in cases of sexual harassment or abuse in the workplace, complaints may be submitted anonymously, without the complainant's signature, and these complaints must be addressed by initiating the procedure.

Occasionally, multiple employees may be affected by the same or similar circumstances and may consider resolving the issue more effectively through a collective complaint. In such cases, the same process will be followed as in the case of an individual complaint, with necessary adjustments, and the group of employees will be treated as if they raised the issue individually.

7. Submission of Complaints Directly to the World Bank

Individuals who believe they have exhausted all options to assert their rights through the existing internal grievance mechanism, and are still dissatisfied with the outcome, may submit their complaint to the World Bank's Grievance Redress Service (GRS). The GRS ensures that the complaints received are immediately reviewed to address issues related to the Project. Affected individuals can independently submit their complaint to the World Bank's Independent Inspection Panel, which determines whether harm has occurred, or could occur, as a result of non-compliance with World Bank policies and procedures. Complaints can be submitted at any time, and it is up to the World Bank representatives to decide whether to respond to a specific complaint. For all information on how to submit a complaint to the World Bank's Grievance Redress Service (GRS), please visit the following website: https://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service. For information on how to submit complaints to the World Bank Inspection Panel, you should refer to the details available at: www.inspectionpanel.org.

8. Institutions and Organizations to Contact in Case of Violations of the Labor Law Provisions, Chapter 5 - Prohibition of Discrimination, or Any Other Grievances Experienced by Employees/Contractors

- Ministry of Labor, Employment, Veterans and Social Affairs, Labor Inspectorate
 - https://www.minrzs.gov.rs/sr/struktura/organi-uprave-u-sastavu-ministarstva/inspektorat-za-rad
- Ombudsman
 - https://www.ombudsman.rs
- Commissioner for the Protection of Equality
 - http://ravnopravnost.gov.rs
- Commissioner for Information of Public Importance and Personal Data Protection
 - https://www.poverenik.rs/sr/
- Atina, Citizens' Association for the Fight Against Human Trafficking and All Forms of Gender-Based Violence
 - https://www.atina.org.rs

ANNEX 1

Grievance Redress Mechanism Form

For Employees of the Project Implementation Unit, as well as External Collaborators on the "Scaling up Residential Clean Energy" Project (SURCE)

Contact Information			
Your name and contact information will details will be used solely for potential			
submitted grievance.			, ,
	Last Name:	Enter Last Nam	e here:
Name:		<u> </u>	
Gender of the Grievant (For statist	ical process	sing and analy	rtical ☐ Male
presentation only; by selecting, you cons	ent to the sta	tistical processin	ng of
the data):			☐ Female
E-mail adress (e-mail):		Phone number:	
Enter e-mail address here:		Enter phone num	nber here:
		I	
Mailing Address for Written Response (Please provi	de Enter mailing	address here:
the full address: street and number, po		_	address nere.
place name):	, star • 5 ± 5 ;		
,		□Anonymous	s tracking of the
I will track the outcome on the website or	r via email, a	s I	s tracking of the
wish to remain anonymous.	•	response	
-		☐ Serbian	
Language of Communication:		□ other,	language
			11111511150
Grievance or Question			
Description of the grievance (This field is	mandatory)		
Describe the reason for your grievance he	• .	•	
Describe the reason for your grievance in	51 C.	_	
red :	• • • • • • • • • • • • • • • • • • • •		11 41 - 1 21
If the grievance or question concerns a spand data when and where it appropries			
and date when and where it occurred, and		vas a repeated ev	ent or incident:
Describe the specific event, with more d	etaiis nere:	_	
How do you suggest resolving the issue problem)?	: (What do y	ou think should	happen to resolve the
Describe here:			
Please send the completed form to the fol	lowing addre	ess:	
BY EMAIL:			
zaposleni.zalbe.surce@mre.gov.rs			

BY POST:

Ministry of Mining and Energy

"Scaling up Residential Clean Energy" Project (SURCE)

Central Grievance Manager (Social Affairs Expert),

Nemanjina 22-26,

11000 Belgrade, Serbia

BY PHONE:

+381 628832937 (Weekdays from 11 AM to 1 PM)

Note: The submission should be factual, with a clear grievance about the process, action, or person. The individual who submitted the grievance will receive a response within fourteen (14) days of submission or sending the email.

For more details, please read the Internal Grievance Mechanism for the "Scaling up Residential Clean Energy" Project (SURCE), available at:

https://www.mre.gov.rs/tekst/2206/dokumenta.php

Place:		
Date:	_	
Signature		
(if you are sending the form	by mail and if the submis	ssion is not anonymous)

11

ANNEX 2

Grievance Redress Mechanism Record Table

For employees in the Project Implementation Unit, as well as for external collaborators engaged in the "Scaling up Residential Clean Energy" Project (SURCE)

		#					Number	Record			
		Complaint/ Contact Receipt Date					year)	Date (format:			
		Communi cation Method	above channels or	of the	Anonymous ly, via one	By phone	By mail	By email	h person	ion Method	Communicat
		Complaint/ Name and Contact Surname Acknowle of dgment Complaina Date nt					day, montn, year)	Date (format:			
		- a						Name and surname of intermediary Expert	Anonymous Assistant	Surname	Name and
							<u>a</u>				IT Expert
		Complaint Descriptio n	<u>:</u>	on On		Coercion	htimidation	Unpaid w orking hours	rregularities in the contract	เร	Poor working
		Complaint Category		Coercion		Intimidation	Discriminati on	Working conditions	Contract		Finance
		Complaint Responsib Complaint Resolution Category le Person Status Date		Responsible Person							
		Complaint Status				Rejected		Resolved		0000	h process
		Complaint Resolution Outcome Date					year)	Date (format:			
						Labor law not violated				response	Investigated
		Note	Note from central complaint manager or Project Implementati on Unit director								