

**The Palestine Liberation Organization (for the benefit of The
Palestinian Authority)**

**Palestinian Emergency Financing Facility
(P504704)**

**Stakeholder Engagement Plan (SEP)
for Retroactive Financing Activities**

February 2024

The SEP is integrated under ESS10 of the Project Environmental and Social Commitment Plan (ESCP)

Brief Project Description

The Palestinian Emergency Financing Facility (PEFF) project will provide US\$30 million to sustain critical service delivery in the Palestinian territories due to the ongoing conflict and its knock on effects on the West Bank. The situation has resulted in a dire fiscal crises for the Palestinian Authority (PA), impacting its ability to pay salaries and risking the provision of key public services. The project will support service delivery by partially financing eligible staff salaries in the public education sector, through 100 percent retroactive financing. The project consists of two components. Component 1 provides partial reimbursement for the payment of the salaries of 44,840 education employees in the West Bank, by covering 84 percent of the November 2023 wage bill, disbursed on the 30th of December, at a cost of US \$29.98 million. Component 2 covers the cost of the audit required for the project at the rate of US \$20 thousand. Eligible expenditures will be limited to the wage bill of West Bank education personnel which is paid through a new electronic payroll system (established with support from the World Bank and the European Union) and will be verified through an audit of the financial statements of the Project. The Project will be implemented by the Ministry of Finance (MoF) over a four-month period and will help the PA to ensure continuity in provision of education services and reduction of potential damage to human capital formation during the conflict. The Directorate General of International Relations and Projects (DGIRP) at MoF will be the Project Implementation Unit (PIU) for the PEFF and will oversee project implementation, monitor progress, and ensure prompt delivery and reporting on project indicators. They will also handle the financial management, procurement, and environmental and social (E&S) aspects in the Project.

Project affected and interested parties

Project beneficiaries include all PA Ministry of Education (MoE) employees in the West Bank. The Project will also provide indirect benefits to students and the population at large through continued access to education services. Parties interested include (but are not limited to) families of project beneficiaries, government agencies such as MoF and MoE, Ministry of Social Development (MoSD), teachers' representative associations/unions, Community Based Organisations (CBOs) working in education such as Teacher's Creativity Center, Non-Governmental Organisations (NGOs), and the media. Vulnerable categories (within education personnel) include (but not limited to) women headed households, households with family members with disabilities, and households in areas affected by security challenges.

Summary of stakeholder engagement during project preparation

Given the security challenges and movement restrictions across the West Bank and the emergency nature of the project, it was not possible to organize a regular stakeholder consultation session. Hence, instead, bilateral consultations with key institutions (IT Financial Department, Development Expenditure Unit, Budget General Directorate, Compliant Unit) were held over the phone on January 28, 2024 to get feedback about the project. Representatives were informed about the proposed project and anticipated risks/impacts and potential mitigation actions. Discussions also focused on the availability and functioning of the grievance mechanism at MoF. All contacted representatives verified that there are no project activity related social issues to be reported from the retroactive financing period. The project is expected to be of overall benefit to education personnel families.

The MoF representative explained that information disclosure is mainly done through a MoF Facebook page which is functional. During December 2023, the Ministry posted one update regarding payment of

October and November 2023 salaries and the remaining arrears. The MoF representative, however, highlighted that they are planning to further strengthen the information sharing/feedback mechanism so as to dispel rumors generated during this period of unrest and to establish better trust between the PA and citizens.

Focusing on the complaints mechanism, MoF explained that all complaints and inquiries regarding salaries and cuts are handled by the Complaints Unit at the MoF. Complaints related to hiring, job advancement, promotions and other similar issues are dealt with by the Complaints Unit at the MoE. The representative of the MoF Complaints Unit provided a description of the grievance/complaints system under use and explained that complaints regarding SEA/SH are processed at the Unit level. The system also includes survivors' referral mechanisms through the MoSD. The MoF Complaint Unit received a total of 5 complaints in October and 12 complaints during November and December 2023. All the complaints were regarding delays in payment of salaries and deductions and were resolved. The Unit also received calls for information and inquiries about salary payments.

Stakeholder engagement during project implementation

Engagement with stakeholders also including vulnerable groups will be ensured during project implementation. MoF will continue consultation with all stakeholders throughout the retroactive financing processing period. The consultation will be conducted through in person and virtual meetings and agreed decisions/minutes of meetings will be part of the record. The project audit exercise will also include consultation with all key technical institutions and other stakeholders, including vulnerable groups.

The existing grievance redress mechanism at MoF for addressing complaints will also be used during project implementation and if required, this mechanism will be strengthened during implementation to ensure better function and effectiveness.

A description of stakeholder engagement measures, including for information disclosure/feedback and grievance redress, will be included in the Project Operational Manual (POM) which will be available by project effectiveness.

Status of complaints received for the retroactive financing period will be examined in the financial audit for the project and corrective actions (if any) will be implemented to resolve (as possible) any eligible/admissible outstanding complaints (pertaining to the retroactive financing period) and strengthen/improve the information disclosure/beneficiary feedback mechanism.

Information Disclosure/Beneficiary Feedback

Information disclosure/feedback is primarily done through Facebook. The existing MoF Facebook page will also be used for the project:

https://www.facebook.com/PMOFPS?locale=ar_AR.

Grievance Redress

Project affected parties will be able to raise their grievances/concerns and submit their inquiries or complaints through the MOF centralized complaint system.

Affected beneficiaries can submit their complaints as follows:

electronically via the electronic grievance form that is available at the MoF website <http://www.pmf.ps/pmf/internal.php?var=60>

government electronic complaint portal available at the <https://cs.pmo.gov.ps/>

in person to the Head of the Complaint Unit at the MoF

email at ikhlasbader2018@gmail.com

call to the Head of the Complaint Unit at cellphone +972 (0) 599370517.

The complaints mechanism also deals with complaints regarding sexual exploitation and abuse/sexual harassment (SEA/SH) and includes a referral mechanism for survivors through the MoSD.