

## Stakeholder Engagement Plan

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This Stakeholder Engagement Plan (SEP) identifies the main project-affected and interested stakeholders of the Public Expenditures For Administrative Capacity Endurance (PEACE) In Ukraine (P177895) and its additional financing (P 179344) describes their interests and engagement needs in relation to the project. The SEP describes the emergency context under which relevant national law and World Bank requirements for stakeholder engagement and information disclosure are to be applied and proposes actionable engagement measures to be undertaken during project implementation. The SEP also describes a project-level Grievance Mechanism designed to facilitate receipt and response to feedback and concerns associated with the project. The SEP may be periodically updated during project implementation to ensure that information is consistent, that methods of engagement remain appropriate and effective, and that any major changes to project activities and schedule are reflected.

**Implementation arrangements** for the SEP, including the monitoring of output and outcome results will be the responsibility of the Ministry of Finance (MoF). The MoF will monitor the SEP implementation in accordance with the requirements of the World Bank Environmental & Social Framework (ESF) and will ensure the collection of information for regular project reporting. This will include the component output measures on ESF risks and GRM reports. The SEP is to be implemented in conjunction with the project's Environmental and Social Commitment Plan (ESCP) and provisions for labor management in the Project Operations Manual (POM).

**Prior consultation** for the SEP and other project-related information will involve placing it in the public domain prior to appraisal with announcement of a public consultation period and opportunity to register comments and suggestions during the disclosure period. Since key interested and affected stakeholders are currently living and working under circumstances of extreme volatility associated with the evolving Russian military invasion and continued spread of COVID-19 in Ukraine and around the world face-to-face consultations are not advisable. Alternative means of feedback explored by implementing entities include dissemination of project information and response via e-mail, letters, social media, operating local and national news agencies, radio, and other means. Given the nature of the project activity (provision of salaries for existing civil service positions) this means of engagement is considered sufficient.

### Project Summary

<b>Project</b>	Public Expenditures For Administrative Capacity Endurance (PEACE) In Ukraine (P178946) and its additional financing (P179344)
<b>Amount</b>	USD
<b>PDO</b>	Sustain institutional and civil service capacity for service delivery at the national and regional levels
<b>Activity</b>	Performance-based disbursement based on salaries paid to civil servants in non-security sectors and educational workers (pedagogical staff) to maintain core government functions.
<b>Beneficiaries</b>	180,000 public servants (two thirds of civil service in Ukraine being female) and around 500,000 educational workers (pedagogical staff).

<b>Implementing Agency</b>	Ministry of Finance, payroll managed by Single Treasury Account hosted by the State Treasury Service, International Cooperation Department of the MoF will provide reports
<b>Project Context</b>	Ukraine is the country deeply affected by an ongoing war with Russia that started with Russian invasion on February 24, 2022. The war has incited extreme vulnerability and a complex set of political and social grievances that remain a threat to the country’s development in the future. According to the UN, war in Ukraine risks seeing 90 per cent of the country “freefall into poverty” and extreme vulnerability. This request for emergency support to sustain capacity for public service delivery is processed under the World Bank Policy for Investment Project Financing (IPF), section III, paragraph 12: Projects in Situations of Urgent Need of Assistance or Capacity Constraints and OP/BP 8.0: Rapid Response to Crises and Emergencies. It provides rapid response in support of preserving essential services (BP 8.0 4 c) and preserving institutional capital (BP 8.0 4 d).
<b>Environmental risk classification</b>	<b>The Project’s environmental risk is classified as low.</b> The activities supported by the Project and its additional financing have no adverse environmental risks or impacts. No specific environmental assessments or plans will be required.
<b>Social risk classification</b>	<b>The Project’s social risk is classified as moderate.</b> The activities supported by the Project and its additional financing are not expected to have any direct adverse social risks or impacts but take place within a highly volatile context beyond the immediate control of the implementing agency. The Project and its additional financing is expected to bring social benefits directly to the families of approximately civil servants and educational workers (pedagogical staff) ensure continuity of vital government and educational services. However civil servants and educational workers (pedagogical staff) may be working in areas where occupational health, safety and security risks are posed by the Russian military invasion. These are highly contextual and beyond the immediate control of the project and not caused by the activities supported by the bank financing (salaries for existing positions paid against performance-based disbursement). Preventative measures able to be actioned under emergency conditions will be described in the project’s Environmental and Social Commitment Plan (ESCP) and Project Operations Manual (POM). These include principles for information disclosure and consultation, and grievance redress for the purpose of maintaining transparency in payroll distribution, and monitoring and reporting by designated environmental and social focal points. A negative list of sectors and roles that are not eligible for payroll support will be developed to ensure that only non-security functions are provided for. A Stakeholder Engagement Plan, analyzing affected and interested stakeholder needs and laying out principles for information disclosure and opportunity for feedback and access to redress for complaints and concerns associated with the disbursement of salaries will be described in the project’s ESCP. Further steps of stakeholder engagement activities including establishment of the multi-channel, accessible project Grievance Mechanism are to be described in the POM.

**Stakeholder Identification and Analysis**

Stakeholder group	Interests	Influence	
		Interest	Impact
<b>Project-affected parties</b>			

Cabinet of Ministers of Ukraine Ministry of Finance of Ukraine State Treasury Service of Ukraine National Agency of Ukraine for Civil Service Affairs	In order to maintain functioning government, ensure that financing is paid on time to intended beneficiaries and is not diverted from designated accounts	H	H
Public servants (all categories of staff, consultants, diplomats) working in-country at national and local levels	Receive basic salaries in order to sustain their livelihoods and those of their dependents; need to understand their entitlements and who to seek advice from in emergency circumstances	H	H
Public servants (all categories of staff, consultants, diplomats) working internationally	Receive basic salaries in order to sustain their livelihoods and those of their dependents; need to understand their entitlements		
Workers of educational sector (pedagogical staff) including those who works remotely and left the country)	Receive basic salaries in order to sustain their livelihoods and those of their dependents; need to understand their entitlements	H	H
Military and police personnel excluded from receiving salaries	Salaries are not covered by the Bank financing but have no impact on their existing payment arrangements. Needs clear communication	M	M
<b>Other interested parties</b>			
Trade unions and worker organizations	Concerned that receive support, and have advice on how to operate in healthy and safe manner, and have access to information and redress under emergency circumstances	M	M
Non-governmental and community-based organizations	Concerned that financing is utilized for correct purposes in transparent manner under emergency circumstances	M	L
National and local media	Disseminating information about international support received during emergency circumstances. May report on misuse of finances.	L	M

### Proposed Strategy for Information Disclosure

Stakeholder Group	Project Information Shared	Means of communication/disclosure
Cabinet of Ministers of Ukraine Ministry of Finance of Ukraine State treasury service of Ukraine National Agency of Ukraine for Civil Service Affairs	<ul style="list-style-type: none"> <li>Summary project objectives and general information; regular updates on implementation;</li> </ul>	Disclosure on official websites, social networks and national media; Government and Public notices. Electronic publications

Public servants at the national and local levels	<ul style="list-style-type: none"> <li>• Environmental and Social Commitment Plan (ESCP);</li> <li>• Stakeholder Engagement Plan (SEP);</li> <li>• Grievance redress Mechanism (GRM)</li> </ul>	and press releases on the official web sites
Workers of educational sector		
Trade Unions and worker organizations		
Non-governmental and community-based organizations		Public notices. Electronic publications and press releases on the project web-site. Public information according to the Law of Ukraine “On access to public information”.
National and local media	Summary project objectives and general information	Public notices. Electronic publications and press releases

### Proposed Strategy for Consultation and Stakeholder Engagement

Method / Tool	Description/Use	Contents	Dissemination Method	Target Groups
<b>Information Provision</b>				
Publications on official web sites and other official channels in social media	Used to convey information on the Project and regular updates on its progress	Disclosure of official project information and ESCP, SEP, GRM submission channels, etc.	Publication of information	All project stakeholders
Distribution of information via public servant's email addresses	Informing of public servants	Information about health and safety under emergency working conditions and the size of wage according to national legislation	Email	Public servants, educational staff, and other directly affected parties
<b>Consultation and Participation</b>				
Public dissemination of information through social and mass media and provision of contact information and request for feedback response	Project representatives, the affected public, authorities, regulatory bodies and other stakeholders for detailed discussion on a specific activity or facility that is planned by the Project.	Summary information on the activity and/or facility in question, including a presentation and an interactive Questions & Answers session with the audience.	Announcement of public consultation period, targeted Invitations; Public disclosure of Project materials in advance of consultation period. Free access to register comments and suggestions during disclosure period	All stakeholders

## Grievance Mechanism

<b>Objective:</b>	To strengthen transparency and accountability to beneficiaries and provide channels for project stakeholders to provide feedback and/or express grievances related to project supported activities.
<b>Aims:</b>	Identification and resolution of issues affecting the project; reduce the risk of the project inadvertently affecting citizens/beneficiaries; obtain feedback and learning to help improve project impact
<b>Activities:</b>	Receive, record, evaluate and address complaints and concerns from project affected parties and citizens at project level and escalate for further response as needed.
<b>Scope:</b>	GRM will be available for project stakeholders (especially project beneficiaries and those directly or indirectly affected, positively or negatively, by the project) and other interested parties to submit questions, comments, suggestions and/or complaints, or provide any form of feedback on all project-funded activities.
<b>Management:</b>	The GRM is managed by the MoF
<b>Legal basis:</b>	Citizens' appeals, complaints and recommendations procedure is specified in the Law On Citizens' Appeals and amendments to the latter through the 2015 amendment on Electronic Petitions. According to the mentioned law and Constitutional Article 40, the Project and its additional financing proposes the following channels through which all interested parties can make complaints regarding project-funded activities

Grievance Procedure	
<b>Dissemination of GRM</b>	Information included in SEP and available at the MoF website, disseminated in communications with stakeholders.
<b>Channels for submitting complaints</b>	<p><u>By Email:</u> Project's email addresses: <a href="mailto:infomf@minfin.gov.ua">infomf@minfin.gov.ua</a>  <u>In writing to MoF:</u> 11 Mezhigirska str., Kyiv, 04071</p> <p><u>By e-mail via the website of the Education Ombudsman's Office</u> <a href="https://zvernennya.eo.gov.ua">https://zvernennya.eo.gov.ua</a>  <u>Governmental contact center:</u> <a href="https://ukc.gov.ua/">https://ukc.gov.ua/</a></p> <p><u>In person:</u> at the above addresses or at the addresses of delegated authority by the latter</p> <p><u>Anonymous complaints:</u> may be submitted without personal details. Anonymous complaints will be investigated but the complaining party must initiate contact with the MoF to obtain a response to the complaint investigation.</p> <p><u>Confidentiality will be ensured in all instances,</u> including when the person making the complaint is known.</p>
<b>Receipt</b>	<p>Submit to special dedicated GRM focal point at the MoF</p> <p>Entered immediately into tracking system for sorting and redirecting to appropriate department/staff responsible for investigating and addressing the complaint</p> <p>The Project Coordinator is responsible for determining who to direct the complaint to, whether a complain requires an investigation (or not), and the timeframe to respond to it.</p> <p>the Project Coordinator should ensure that there is no conflict of interest, i.e. all persons involved in the investigation process should not have any material, personal,</p>

	or professional interest in the outcome and no personal or professional connection with complainants or witnesses.
<b>Recording</b>	Once the investigation process has been established, the person responsible for managing the GRM records and enters this data into the GRM log. The number and type of suggestions and questions should also be recorded and reported so that they can be analyzed to improve project communications.
<b>Investigation</b>	Appeals not requiring additional evaluation – response immediately and no later than 15 days after receipt appeals requiring additional evaluation are considered and resolved no later than 30 days after receipt ( <i>Article 20 of the Law of Ukraine on Citizens' Appeals</i> )
<b>Evaluation</b>	the person responsible for investigating the complaint will gather facts in order to generate a clear understanding of the circumstances surrounding the grievance. The investigation/follow-up can include site visits, review of documents and a meeting with those who could resolve the issue. results of investigation and the proposed response to the complainant will be presented for consideration to the Project Coordinator, who will decide on the course of action. Investigation deadline may be extended by 30 working days by the Project Coordinator, and the complainant informed about this fact, in the event that: <ul style="list-style-type: none"> <li>a) additional consultations are needed to provide response to the complaint;</li> <li>b) the complaint refers to a complex volume of information and it is necessary to study additional materials for the response.</li> </ul>
<b>Handling of SEA/SH complaints</b>	Ensure (i) referral of survivors to support services (health, legal, psychosocial, security and other assistance), based on the consent, needs and wishes of survivors; (ii) linkage to the domestic legal system (based on the consent of survivors unless the reporting to the law enforcement agencies is mandatory in Ukraine). Unlike other types of issues, SEA/SH Grievance Mechanisms do not conduct investigation, make any announcements, or judge the veracity of allegations; and (iii) determination of the likelihood that SEA/SH allegations relate to the Project and its additional financing. If a SEA/SH incident is confirmed, an employer is expected to take a corrective action against the perpetrator. Conclusion on a SEA/SH case is used to assess the overall effectiveness of SEA/SH preventive measures undertaken by the MoF.
<b>Escalation</b>	Appeals that cannot be resolved within one month referred to the head or deputy of the organization to define necessary time for its consideration, and report about it to the person who filed the appeal (entire term for resolving issues raised in the appeal may not exceed forty-five days).
<b>Response to complainant</b>	The complainant will be informed about the results of verification via letter or email, as received. The response shall be based on the materials of the investigation and, if appropriate, shall contain references to the national legislation.
<b>Monitoring and reporting</b>	Project coordinator will provide a monthly/quarterly snapshot of GRM results, including any suggestions and questions, to the project team and the management, and review the status of complaints to track which are not yet resolved and suggest any needed remedial action.
<b>Progress reports submitted to</b>	In the semi-annual project implementation reports submitted to the Bank, MoF will provide information on the following: <ul style="list-style-type: none"> <li>• Status of establishment of the GRM (procedures, staffing, awareness building, etc.);</li> </ul>

<b>the World Bank</b>	<ul style="list-style-type: none"> <li>• Quantitative data on the number of complaints received, the number that were relevant, and the number resolved;</li> <li>• Qualitative data on the type of complaints and answers provided, issues that are unresolved;</li> <li>• Time taken to resolve complaints;</li> <li>• Number of grievances resolved at the lowest level, raised to higher levels;</li> <li>• Any particular issues faced with the procedures/staffing or use;</li> <li>• Factors that may be affecting the use of the GRM/beneficiary feedback system;</li> <li>• Any corrective measures adopted.</li> </ul>
<b>Referral to World Bank GRS</b>	<p>Communities and individuals who believe that they are adversely affected by a WB supported project may submit complaints to the above project-level GRM or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit: <a href="http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service">http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service</a>.</p>

**Annex: glossary of terms**

<b>Affected Parties</b>	<p>persons, groups and other entities within the Project Area of Influence (AoI) that are directly influenced (actually or potentially) by the project and/or have been identified as most susceptible to change associated with the project, and who need to be closely engaged in identifying impacts and their significance, as well as in decision-making on mitigation and management measures;</p>
<b>Other Interested Parties</b>	<p>individuals/groups/entities that may not experience direct impacts from the Project and its additional financing but who consider or perceive their interests as being affected by the project and/or who could affect the project and the process of its implementation in some way;</p>
<b>Vulnerable Groups</b>	<p>persons who may be disproportionately impacted or further disadvantaged by the project(s) as compared with any other groups due to their vulnerable status and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project(s).</p>
<b>Consultation</b>	<p>The process of providing stakeholders with opportunities to express their views on project opportunities, risks, impacts and mitigation measures by gathering information or advice from stakeholders and taking these views into account when making project decisions and/or setting targets and defining strategies.</p>
<b>Disclosure</b>	<p>The provision of information as a basis for consultation with project stakeholders. Involves prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultations with stakeholders in a culturally appropriate format, in relevant local language(s) and is understandable to stakeholders;</p>
<b>Engagement</b>	<p>A continuous two-way process in which an implementing agency, company or organization builds and maintains constructive and sustainable relationships with</p>

	<p>stakeholders impacted over the life of a project. This is part of a broader stakeholder engagement strategy, which also encompasses governments, civil society, employees, suppliers, and others with an interest in the Project and its additional financing.</p>
<p><b>Principles for stakeholder engagement:</b></p>	<p>Openness and life-cycle approach: public consultations for the project(s) will be arranged during the whole lifecycle, carried out in an open manner, free of external manipulation, interference, coercion or intimidation; Informed participation and feedback: information will be provided to and widely distributed among all stakeholders in an appropriate format; opportunities are provided for communicating stakeholders' feedback, for analyzing and addressing comments and concerns; Inclusiveness and sensitivity: stakeholder identification is undertaken to support better communications and build effective relationships. The participation process for the projects(s) is inclusive. All stakeholders at all times encouraged to be involved in the consultation process. Equal access to information is provided to all stakeholders; Sensitivity to stakeholders' needs is the key principle underlying the selection of engagement methods. Special attention is given to vulnerable groups, in particular women, youth, elderly including diverse ethnic groups.</p>