

Stakeholder Engagement Plan

Ukraine Investing in Social Protection for Inclusion, Resilience, and Efficiency (INSPIRE) Project (P181081)

Stakeholder Engagement Plan (SEP). In consultation with the World Bank, the Borrower, through the Ministry of Social Policy of Ukraine, developed this Stakeholder Engagement Plan, which is proportionate to the nature and scale of the **Ukraine Investing in Social Protection for Inclusion, Resilience, and Efficiency (INSPIRE) Project (P181081)** and its potential risks and impacts. The SEP describes the timing and methods of engagement with stakeholders throughout the project's life cycle, distinguishing between project-affected and other interested parties. It describes their interests and engagement needs in relation to the project. The SEP also outlines the range and timing of information to be communicated to project-affected parties and other interested parties, as well as the type of information to be sought from them.

The INSPIRE project 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-related Grievance Redress Mechanism (GRM) established to facilitate receipt and response to feedback and concerns associated with INSPIRE-financed activities. The SEP may be periodically updated during project implementation to ensure that information is consistent, that engagement methods remain appropriate and effective, and that any major changes to project activities and schedule are reflected in it.

Implementation arrangements for the SEP, including the monitoring of output and outcome results, will be the responsibility of the Ministry of Social Policy of Ukraine (MoSP). The MoSP 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. The SEP is to be implemented in conjunction with the project's Environmental and Social Commitment Plan (ESCP) and provisions of the Project Operations Manual (POM).

Stakeholder consultations. The MoSP has held consultations with government stakeholders and scheduled consultations with NGOs, civil society organizations and other interested parties to seek feedback on the proposed INSPIRE activities and technical design that aim to inform SEP. The consultation will be conducted virtually under circumstances of extreme volatility associated with the evolving Russia's military invasion. The stakeholder consultations will continue to be carried out during the later stages of INSPIRE implementation and/or upon the stakeholders' requests, and feedback received will be reflected in the SEP.

Communication Strategy. The project will rely on existing communication channels maintained by the MoSP, other government agencies, and local welfare offices currently used for the ongoing Ukraine Social Safety Nets Modernization Project (P128344).

Traditional, Internet, and social media. For the public at large, identified and trusted media channels, including broadcast media (television and radio), web publications, and print media (newspapers,

magazines), are utilized to communicate essential information and guidance to stakeholders regularly. Public notices, electronic publications, and press releases about the programs financed by INSPIRE will be disseminated through the mass media and social media channels of the MoSP (including YouTube, Facebook, and Telegram¹).

Website of the Ministry of Social Policy - <https://www.msp.gov.ua/main/Pro-ministerstvo.html> (in Ukrainian and English languages; the website accessible for visually impaired persons).

Digital platforms:

- (i) *Diia* - <https://diia.gov.ua/>. In Ukraine, digitalization focuses on enabling citizens to access all public services remotely, based on the “State in a Smartphone” concept. In early 2020, the Ministry of Digital Transformation officially launched the DIIA digital identification platform, which is available via a mobile app and web portal. This has been a key development in the effort to develop a digital social protection system around the user’s needs. Today, citizens can access a vast range of services for individuals and businesses via DIIA, including enrollment in many social protection schemes (such as birth grant, adoption grant, social assistance for single parents, social assistance for children with disabilities or those disabled since childhood, social assistance to carers for children with a long-term adverse health condition, and Housing and Utilities Subsidy) and recalculation of pension, compensation to employers who hire IDPs, obtaining the status of the unemployed, preferential state mortgages for IDPs, etc.² DIIA also contains a Government Services Guide (<https://guide.diia.gov.ua/>) so that citizens can learn about all state services, including those not yet available via the digital platform. Citizens who do not have a computer or smartphone can still access DIIA with social workers’ support through DIIA centers, which have been established within the network of administrative service centers.
- (ii) *eDopomoga* - <https://edopomoga.gov.ua/en/>. The platform on the assistance and compensations for war-affected groups provided by the Government, humanitarian organizations, and volunteers was created with the support of the UNDP, Sweden, and the World Bank.

Hotlines. The Government Contact Center operates a toll-free “Government Hotline”, which 24/7 processes information requests and grievances from more than 1.8 million persons annually (2022), including refugees who fled Ukraine. The Government Hotline can be used to submit complaints and other types of appeals related to social assistance and pensions. In addition, the Government runs a hotline for persons with disabilities (15-39) with sign language interpretation service for the hearing impaired; a referral helpline for the victims of human trafficking, domestic violence, and gender-based discrimination (15-47); a hotline for children and youth (0 800 500 225); a hotline for war veterans and their families (15-45); and a hotline for IDPs and other people in challenging life circumstances (15-48).

Local governmental bodies. Under the decentralization reform, the client intake function, including in-person enrollment in the social assistance programs, was shifted to the level of territorial community - to bring public services closer to a potential beneficiary. Local self-government bodies will serve as one of

¹ Social media of the MoSP: Facebook - https://www.facebook.com/MLSP.gov.ua/?locale=uk_UA; YouTube - <https://www.youtube.com/@MinSocUA>; and Telegram - <https://t.me/s/MinSocUA>.

² Diia, <https://diia.gov.ua/services/categories/gromadyanam/pensiyi-pilgi-ta-dopomoga>

the primary communicators with project beneficiaries using their own communication channels, hotlines³, and mechanisms for grievance redress.

Project Summary

Project	Ukraine Investing in Social Protection for Inclusion, Resilience, and Efficiency (INSPIRE) Project (P181081)
PDO	The development objective is to contribute to the sustainable provision of social assistance to vulnerable groups and improve the coverage and efficiency of selected SSN programs.
Activity	<p>INSPIRE project is a stand-alone Investment Project Financing (IPF) operation will use \$1.2 billion – pending possible increase due to capitalization in IBRD resources through credit enhancement from the Advancing Needed Credit Enhancement for Ukraine (ADVANCE Ukraine) Trust Fund, supported by the Government of Japan. The operation forms an integral part of the international support package for Ukraine to meet its financing needs during 2023-2024.</p> <p>The loan funds will be disbursed to finance 29 types of Government’s benefits against the achievement of six Performance-Based Conditions (PBCs) that are securing the implementation of important reform actions. These PBCs are aligned with structural reform measures focused on enhancing targeting, efficiency, and sustainability of the critical social safety net programs, including the Guaranteed Minimum Income (GMI), Housing and Utilities Subsidy (HUS), and IDP assistance programs, which mitigate the impacts of war on 7.2 million individuals from low-income, energy vulnerable, or internally displaced households. The policy measures supported by PBCs would allow rebalancing the system toward more efficient support and creating fiscal space to secure the provision of 29 types of benefits to vulnerable groups that include persons with disabilities and their caregivers, orphans and children under guardianship, foster families and families with many children, social pensioners, victims of the Chernobyl nuclear disaster and human trafficking, and socially vulnerable students and cover around 3.6 million of the most vulnerable adults and children exposed to even greater vulnerability due to devastating impact of war and resulting humanitarian and economic crises.</p> <p>Component 1. Provision of social assistance to vulnerable groups (\$1.2 billion). This component will finance selected 29 types of social benefits envisaged by six State Budget programs during January 2023 - July 2024. Before the war, the Government made notable progress in strengthening the targeting of these programs and introduced means test as eligibility rule for several of them. The ongoing war in Ukraine exacerbates vulnerabilities and heightened economic, social, and health risks for the beneficiaries of these programs and majority of them rely on monthly social payments as their only income source to cover basic needs. Hence, sustaining the Government's capacity to provide social assistance under selected programs during the war is critical, particularly given the growing vulnerability</p>

³ Local hotlines, <https://ukc.gov.ua/a-dovidkova-informatsiya-a-telefonni-garyachi-liniyi-v-mistsevyh-organah-vykonavchoyi-vlady-oblastej-ta-m-kyyeva/>

	<p>among these group of beneficiaries, to ensure their food security, and safety. The project will reimburse up to US\$1,200 million to the Government for self-financed expenditures on 29 selected social benefits paid through the MoSP and PFU to eligible beneficiaries (households or individuals) in compliance with the program rules and procedures outlined in the applicable laws and regulations during the 2023 calendar year and in January-July 2024. The Government undertakes that no project proceeds or resources may be used for defense, security, or military purposes.</p>
<p>Project beneficiaries</p>	<p>The INSPIRE is expected to reach over 10 million primary beneficiaries (individuals). Due to the nature of the proposed operation, most of them are the poor and vulnerable, including war-affected groups.</p> <p>As the project will invest in strengthening the GoU's capacity to provide social assistance and social services during the war, the recipients (individuals and households) will directly benefit from its financing. INSPIRE, to be implemented by the Ministry of Social Policy in all government-controlled areas of Ukraine, provides universal support - to all eligible beneficiaries of 29 social benefit programs under six state budget programs amounting to 2.8 million recipients, including vulnerable families and children, low-income and energy-vulnerable households, adults and children with disabilities and their caregivers, socially vulnerable students, victims of human trafficking, and other groups (see Annex 1 for more details).</p> <p>In addition, the Project supports the reforms of social safety net programs towards greater adequacy, efficiency, and sustainability, including Guaranteed Minimum Income, Housing and Utilities Subsidy, and IDP assistance programs that together cover around 7.2 million individuals from low-income, energy vulnerable, or internally displaced households.</p>
<p>Implementing Agency</p>	<p>Ministry of Social Policy of Ukraine</p>
<p>Project Context</p>	<p>Almost nineteen months of war in Ukraine have resulted in significant civilian casualties, the largest migration crisis in Europe since World War II, the internal displacement of millions of people, a global energy and food crisis, as well as large-scale destruction of the country's infrastructure and disruptions in the provision of services critically needed to build and protection of human capital. Between February 24, 2022, which marked the start of the escalation of the existing armed conflict, and August 27, 2023, OHCHR recorded 26,717 civilian casualties in the country, including 9,511 deaths and 17,206 injuries (OHCHR, August 2023). The invasion also triggered one of the world's most significant forced displacement crises, with approximately 5.09 million people (or 12 percent of the pre-war population) displaced within Ukraine (IOM, June 2023) and over 6.2 million Ukrainian refugees (around 15 percent of the population) recorded globally (UNHCR, September 2023).</p> <p>The war and resulting shocks affect the poor and vulnerable hardest. Poverty is much higher since the full-scale invasion: 7.1 million additional Ukrainians are estimated to now live in poverty (World Bank, May 2023). Around 41 percent of households across Ukraine have "severe" or "extreme" levels of livelihood needs; 16</p>

	<p>percent of respondents report that social benefits are their primary source of income (REACH, March 2023).</p> <p>The Government of Ukraine (GoU) has shown remarkable resilience in keeping essential services functioning and adapting policy to the emergency context. To protect the poor and vulnerable, the Government prioritizes the continued payment of social assistance entitlements, even though the budget is under stress. This has been supported by financing and technical assistance from the World Bank, which has mobilized over US\$37.5 billion in financial support to Ukraine, of which nearly US\$23 billion has been disbursed. (WB, August 2023). To address the unprecedented financing pressures driven by the ongoing invasion, INSPIRE will sustain the GoU’s capacity to provide social support to the poor and vulnerable during the war.</p>
<p>Environmental and social risk classification</p>	<p>Environmental and Social risk is rated as Moderate. The INSPIRE will have overall positive social impacts. The activities supported by the Project are not expected to have any direct adverse social and environmental risks or impacts but take place within a highly volatile context beyond the immediate control of the implementing agency. The Project is expected to bring social benefits directly to the poor and vulnerable families and ensure continuity of vital government benefits and services. However, social workers and beneficiaries may be living in areas where occupational health, safety and security risks are posed by the Russian invasion. These are highly contextual and beyond the immediate control of the project and not caused by the activities supported by the Bank financing.</p> <p>The Project will not involve any physical activities and civil works and will have no adverse impacts on the human populations and the environment. There are potential risks that the existing social assistance programs may have gaps in the coverage of and provision of adequate support to vulnerable and disadvantaged groups whose income, and livelihoods and mental health may be disproportionately affected by the ongoing war., Project-related grievances may stem from people being excluded from access due to exclusion errors and non-receipt of payments and support. The project seeks to address exclusion errors under Component 2 through proactive identification of beneficiaries and enhancement in the current GM. Therefore, the project will support policy measures focused on addressing the exclusion of people with low incomes and vulnerable families (under the GMI, HUS, and social assistance for IDPs, that together cover around 60 percent of all social assistance beneficiaries).</p>

Stakeholder Identification and Analysis

At the early stage of project preparation, the implementing agency (MoSP) identified key stakeholders of the proposed project, which can be divided into the following core categories to ensure effective and tailored engagement:

Project-affected parties - persons, groups, and other entities that are directly (actually or potentially) affected by the project and/or have been identified as most susceptible to changes associated with the project. Due to the nature of INSPIRE project, stakeholders who belong to the category of **vulnerable persons and groups** (who may be disproportionately impacted by the project's activities or further disadvantaged in the result of implementation of such activities compared to other groups) are *the project-affected parties*, since they are beneficiaries of social assistance programs supported by the project.

Stakeholder group	Interests	Influence	
		Interest	Impact
Project-affected parties / Vulnerable persons and groups			
Social assistance beneficiaries ⁴	<ul style="list-style-type: none"> ▪ Social assistance and services timely provided to eligible beneficiaries to cover their basic needs ▪ Improvement of the eligibility criteria of the social assistance programs to ensure better adequacy and coverage of assistance ▪ Availability of online and off-line options for enrollment; ▪ User-friendly delivery systems, including payments through authorized banks and home delivery scheme operated by the <i>Ukrposhta</i> for beneficiaries who cannot withdraw their payments because of geographical constraints, illness, old age or disability ▪ Accessible community-based social services of sufficient quality and quantity <p>Easily accessible GRM, enabling to submit complaints, information requests, suggestions, and feedback about social assistance provision through various channels.</p>	H	H
Other interested parties			
Cabinet of Ministers of Ukraine Ministry of Finance of Ukraine	<ul style="list-style-type: none"> ▪ Budget support to address fiscal constraints ▪ Sustainability of social assistance for most vulnerable groups ▪ Improvement of social assistance programs to prevent the deterioration of human capital that will be critical for the sustainable country's recovery when peace is restored 	H	H

⁴ Beneficiaries of 29 social benefit programs to be financed by INSPIRE amounting to 2.8 million recipients, including vulnerable families and children, low-income and energy-vulnerable households, persons with disabilities and their caregivers, social pensioners, socially vulnerable students, victims of human trafficking, and other groups (see Annex 1 for more details). In addition, the Project supports the reforms of social safety net programs towards greater adequacy, efficiency, and sustainability, including Guaranteed Minimum Income, Housing and Utilities Subsidy, and IDP assistance programs that together cover around 7.2 million individuals from low-income, energy vulnerable, or internally displaced households.

	Mitigate economic and fiscal shocks and lay a foundation for sustainable recovery		
Ministry of Social Policy	<ul style="list-style-type: none"> ▪ Transform current social safety net system to ensure better efficiency of support ▪ Improve overall targeting accuracy of SSN transfers - to channel assistance to those who need it most ▪ Reduce inclusion and exclusion gaps in social assistance programs to ensure adequate social protection of the poor and vulnerable during and after the war ▪ Improve the social service system to help maximize the potential of beneficiaries to graduate from social assistance, improve employability, and help address their challenging life circumstances <p>Improve administration of benefits and services and introduce new systems and mechanisms to ensure proactive and efficient support.</p>	H	H
Local governments/administrations Local welfare offices	<ul style="list-style-type: none"> ▪ Adequate level of social protection to help people cope with crises and shocks ▪ Efficient mechanisms to proactively identify potential social assistance beneficiaries <p>Introduction of mechanisms to procure community-based social services from the state budget</p>	H	H
Civil society organizations	Ensure that the disadvantaged and vulnerable are duly protected throughout the war	M	M
International donors / International Financial Institutions	<ul style="list-style-type: none"> ▪ Ensure an effective and coordinated response that aims to protect the lives, livelihoods, and dignity of war-affected people, including through advocacy and resource mobilization ▪ Well-targeted response efforts to reach the people most in need ▪ Mitigate the risk of redundant effort and overlap with other donors/ International Financial Institutions. 	M	H

Proposed Strategy for Information Disclosure

Stakeholder Group	Project Information Shared	Means of communication/ disclosure
Social assistance beneficiaries Cabinet of Ministers of Ukraine Ministry of Finance of Ukraine	Summary project objectives and general information;	Disclosure on official websites, social networks and national media, Governmental and public

	Regular updates on implementation; Environmental and Social Commitment Plan (ESCP); Stakeholder Engagement Plan (SEP); Other ESF related documents Grievance Redress Mechanism (GRM)	notices, publications and press releases on the official websites in both Ukrainian and English languages
Ministry of Social Policy and Project PIU		
Non-governmental and community-based organizations National and local media		Public notices. Electronic publications and press releases on the official web-sites. Public information according to the Law of Ukraine “On access to public information”
Local authorities Social assistance beneficiaries Local NGOs		Public notices in local media and local welfare offices, communication with local population and other local stakeholders

Proposed Strategy for Consultation and Stakeholder Engagement

Method / Tool	Description/Use	Contents	Dissemination Method	Target Groups	Estimated date/time period and Responsibilities
Information Provision					
Publications on official web sites and other official channels and in social media	Used to convey information on the Project and regular updates on its progress	Disclosure of official project information and ESCP, SEP, GM submission channels.	Publication of information in local language	All project stakeholders	October 2023 MoSP and World Bank disclose the project documents
Publications in the national and local media and dissemination through local welfare offices	Used to update potential beneficiaries and public on the project preparation	Project information, GM submission channels, organizational issues, time and venue of public consultations, etc.	Information in local administrations in local languages Publications in national and local media	Social assistance beneficiaries Local authorities Local NGOs	November 2023 MoSP prepares and disseminates the information
Consultation and Participation					
High-level and technical meetings with the government counterparts (MoF and MoSP)	Used to identify the reform package to be supported by the project and discuss project design	Project briefs and tables with selected social assistance programs	Email Project information sent to the meetings’ participants	Management and technical staff of the MoF and MoSP	July – September 2023 World Bank prepared and distributed the project information

Public dissemination of information through social and mass media and provision of contact information	Project design and project-financed activities. Informing of local stakeholders (including vulnerable groups) on project implementation progress, potential ES risks and mitigation measures provided, etc.	Summary information on the activities and facilitating of questions from audience	Announcement of public consultation period; public disclosure of Project materials in advance of consultation period. Free access to register comments and suggestions during disclosure period	All stakeholders	October 2023 MoSP prepares and publishes summary information on the project activities
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Implementation Arrangements and Budget

Using existing agencies and mechanisms with a proven track record is an effective approach for implementing relief and recovery operations. Given the urgency for expedient and effective implementation, to the extent possible, INSPIRE will capitalize on existing institutions, platforms, and mechanisms (such as GRM, stakeholder engagement channels, etc.) that are trusted, acceptable to the Bank and have the capacity to facilitate the implementation of project-finance activities. The ongoing SSNMP implemented by the Ministry of Social Policy (MoSP) consistently supports the administrative modernization of the social protection system, provides technical assistance, or directly finances the activities and training to strengthen the capacities of the MoSP and local social protection units. The MoSP, as the implementing agency for INSPIRE, is highly experienced with solid institutional capacity in place, developed during the preparation and implementation of five Bank-financed projects in Ukraine.

To implement the SEP, the INSPIRE will build on the ongoing World Bank engagement in Ukraine, including the Social Safety Nets Modernization Project (SSNMP) implemented by the MoSP since 2014. The overall responsibility for the project implementation, including the E&S-related aspects, lies with the MoSP. The Bank will provide implementation support to the MoSP regarding the SEP. Over the past nine years, the assessment of existing stakeholder engagement channels of the MoSP, including the ones launched since the onset of the invasion, and the national legal and regulatory framework, revealed that the project implementing agency has well-developed mechanisms for communicating with stakeholders, receiving their feedback, and engaging them in policy dialogue through consultations, round tables, dedicated websites, social media, non-governmental organizations' committees, client satisfaction surveys, and complaint handling systems to address grievances. The mechanisms and practices for providing feedback to stakeholders will be adjusted to the country's FCV environment and security context. The Project Implementation Unit (PIU) established by the MoSP includes two Communication and Outreach Consultants, the Monitoring and Evaluation Consultant, and the GRM Focal Point. The MoSP will cover the expenses related to the SEP implementation.

Grievance Redress Mechanism (GRM) to be used by the INSPIRE project

(a) Project-level GRM

The responsive and effective GRM will be established at the project level. This mechanism will be available for all project stakeholders (especially project beneficiaries and those directly or indirectly affected, positively or negatively, by the project), project workers, and other interested parties to submit questions, comments, suggestions and/or complaints, or provide any form of feedback on all project-funded activities. The complaints received through various channels (including phone, email, mail and online chat) will be promptly reviewed by the PIU GRM Focal Point and relevant clarifications will be provided to address the project-related concerns. The MoSP will have the overall project preparation and implementation responsibilities and has PIU established under ongoing Social Safety Modernization Project with designated GRM focal point who is also responsible for environmental and social risk management. All project workers are encouraged to use the existing project grievance mechanism to raise workplace concerns. The grievance mechanism will also be able to receive, register and address concerns and grievances related to Sexual Exploitation and Abuse and Sexual Harassment in a safe and confidential manner, including through the referral of survivors to gender-based violence service providers.

Grievance Procedure. (i) submission of grievance either orally or in writing via available channels for submitting complaints (see below); (ii) recording of grievance and classifying based on the typology of complaints and the complainants in order to ensure more efficient response, and providing the initial response immediately as possible; (iii) GRM Focal Point acknowledge the receipt of the grievances within 7 days; grievances/information requests which are easy to address are resolved at this stage (within 15 days); (iv) other grievances which require investigation are to be resolved within 30 days, the proposed measures are communicated to the applicant; grievance is closed or further steps are to be taken if the grievance remains open; (v) GRM Focal Points and the Head of the GRM Service of the MoSP are responsible for monitoring and evaluation of the GRMs performance, including analyzing, summarizing findings and reporting using the registry data and (iv) the complainants are requested to provide feedback on their satisfaction with the GRM performance.

Channels for submitting complaints: Ministry of Social Policy PIU:

Address: 8/10 Esplanadna Str., Kyiv, 01601 Ukraine (for grievances in writing)

Email: zvernennya.ssnmp@gmail.com

Facebook messenger: https://www.facebook.com/pg/modernization.msp/about/?ref=page_internal

Telephone: (044) 289-70-60, 289-01-42

(b) MoSP-level GRM

Beneficiaries of all social safety net programs can use the multi-channel GRM operated by the Ministry of Social Policy. The MoSP maintains an easily accessible GRM with functions, staffing, and resources, enabling stakeholders to submit complaints, information requests, suggestions, and feedback through various channels (phone, email, physical mail, and online⁵). Grievances can be submitted in person in the Public Reception Office of the MoSP.

The '15-45' Government Hotline can be used to submit complaints and other types of appeals related to

⁵ MoSP, <https://www.msp.gov.ua/timeline/Zvernennya-gromadyan.html>

social assistance and pensions⁶. The Government operates a 15-45 - 24/7 toll-free “Government Hotline”, which processes information requests and grievances from more than 1.8 million persons annually (2022), including refugees who fled Ukraine. The Government Hotline can be used to submit complaints and other types of appeals related to social assistance and pensions. In addition, the Government runs a hotline for persons with disabilities (15-39) with sign language interpretation service for the hearing impaired; a referral helpline for the victims of human trafficking, domestic violence, and gender-based discrimination (15-47); a hotline for children and youth (0 800 500 225); a hotline for war veterans and their families (15-45); and a hotline for IDPs and other people in challenging life circumstances (15-48). The information channels of the MoSP include a website (<https://www.msp.gov.ua>) and social media – Facebook and YouTube – where comments can be provided⁷.

The MoSP discloses semi-annual GRM performance reports on its website. In 2022, the MoSP received 22,961 grievances, including 10,846 (47%) - by email, 3,183 (14%) – by mail, and 4,098 (18%)– through other government agencies and ‘15-45’ Government Hotline. As of January 2023, 11,054 (48%) grievances/appeals were resolved, 9,418 (41%) grievances were forwarded to other government agencies for further action, 2,066 (9%) were under consideration, and 416 (1.8%) were rejected.

Regulatory framework. The grievance management procedures used by the MoSP are regulated by national legislation and related orders:

- (a) The Law of Ukraine “On Public Appeals” No. 393/96-BP dated October 2, 1996, with amendments⁸;
- (b) The Resolution of the Cabinet of Ministers “On approval of the instruction for public authorities, local governments, enterprises, of any type of ownership, organizations, and mass media on records management related to public appeals” No. 348 dated April 14, 1997, with amendments⁹;
- (c) The Decree of the President of Ukraine “On priority measures to ensure the implementation and guarantee of the constitutional right to appeal to public authorities and local self-government bodies” No. 109 dated February 7, 2008;
- (d) The Order of the MoSP “On approval of the procedure for the reception of citizens by the Ministry of Social Policy of Ukraine” No. 426 dated November 07, 2011; and
- (e) The Order of the Cabinet of Ministers “On reports of central and local executive authorities on addressing public appeals” No. 8815/1/1-18 dated March 5, 2018.

Grievance procedure. The established procedure for the grievance/appeal processing can be summarized as follows: once the MoSP GRM Service receives the complaint, it is recorded and classified based on the typology of complaints to ensure the most efficient response; grievances/information requests which can be easily addressed are resolved within 15-30 days; the grievances which require investigation are to be resolved within 45 days; the proposed measures are communicated to the applicant; grievance is closed or further steps are taken if the grievance remains open; applicants can provide feedback on their satisfaction with taken decisions/measures and overall GRM performance.

The channels for grievance submission are publicly available at all local social welfare units and service centers of the Pension Fund, which can receive grievances/appeals from social assistance beneficiaries. Welfare units and service centers operate multi-channel GRMs allowing the submission of grievances

⁶ ‘15-45’ Government Hotline, <https://www.kmu.gov.ua/en/uryadova-garyacha-liniya-1545>

⁷ MoSP Facebook: <https://facebook.com/MLSP.GOV.UA>, Telegram: <https://t.me/MinSocUA>

⁸ <https://zakon.rada.gov.ua/rada/show/en/393/96-%D0%B2%D1%80#Text>

⁹ <https://zakon.rada.gov.ua/laws/show/348-97-%D0%BF#Text>

through various channels (phone, email, physical mail, visits, or suggestion/complaint boxes). Since the beginning of the war, the administrations of oblasts that host IDPs opened regional toll-free helplines.

(c) World Bank’s Grievance Redress Service

Communities and individuals who believe that they are adversely affected by a WB supported project may submit complaints to the above project-level GM 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: <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>.

ANNEX 1: Social assistance benefit programs to be covered by INSPIRE)

Budget code (2023)	Budget programs and social assistance programs (benefits) to be covered by INSPIRE
2501400	Social protection of families and children:
1	Social assistance to children under guardianship or trusteeship
2	Social assistance to carers for children with a long-term adverse health condition
3	Temporary assistance to children whose parents do not pay alimony, are unable to maintain their children, or whose whereabouts are unknown
4	Social assistance to large families
5	Compensation for the care services provided to a child under 3 years old (<i>the “Municipal Babysitter” program</i>)
6-8	Social assistance to orphans and children deprived of parental care; social assistance to children raised in foster families (<i>3 types of benefits</i>)
9-11	Payments for services provided by parents in family-type homes, adoptive families, and foster families (<i>3 types of benefits</i>)
12	One-time payments to women awarded the "Hero Mother" title
2501540	Social support to low-income families:
13	Monetized discounts on housing and utility payments
14	Monetized discounts on solid and liquid fuel and liquefied gas
2501530	Social protection of people in difficult life circumstances:
15	Social assistance to persons who are not eligible for an old age pension and persons with disabilities
16	Temporary social assistance to unemployed persons who reached pension age, however, are not eligible for an old age pension
17	Care benefits

Budget code (2023)	Budget programs and social assistance programs (benefits) to be covered by INSPIRE
18	Social assistance to persons providing care to disabled persons with Group I-II disability due to mental disorders
19	Social scholarships
20-23	Social protection of people affected by the Chernobyl disaster <i>(4 types of benefits)</i>
24	One-time payments to victims of human trafficking
2501160	Lifetime scholarships
25	Lifetime scholarships
2507110	Social protection for persons with disability
26-29	Rehabilitation of people with disability <i>(4 types of benefits)</i>

Projected number of INSPIRE beneficiaries

Budget code	Budget program	Projected number of beneficiaries
2501400	Social protection for children and families	248,740
2501540	Support to low-income families	1,714,700
2501530	Social protection for persons in difficult life circumstances	919,329
2501160	Lifetime scholarships	191
2507110	Social protection for persons with disability	9,055
	TOTAL	3,583,318

Annex 2: Minutes of the consultations with government stakeholders

MINUTES

MEETING WITH MINISTRY OF FINANCE

TUESDAY, AUGUST 29, 2023

The meeting between representatives of the Ministry of Finance and the World Bank was held on August 29, 2023 and was attended by:

Ministry of Finance: Denys Uliutin, First Deputy Minister; Roman Yermolychev, Deputy Minister; Olga Zykova Deputy Minister, and other MoF representatives

World Bank: Michal Rutkowski, Regional Director, HECDR; Paolo Belli, Practice Manager, HECSP; Gevorg Sargsyan, Country Manager, ECCEE; Kateryna Petryna (Senior Social Protection Specialist, HECSP); Nithin Umapathi (Senior Economist, HECSP); Anna Baranova (Social Protection specialist, HECSP); Olena Doroshenko (Senior Economist, Health, HECHN); and Anastasiia Bihun (Team Assistant, ECCUA).

Summary of discussion related to the preparation of the INSPIRE project

The meeting participants stressed the importance of close collaboration between the MoF and World Bank team to finalize the design and scope of INSPIRE project and ensure on-time submission to Board in November 2023.

- The Investing in Social Protection for Inclusion, Resilience, and Efficiency Project (INSPIRE) Project aims at strengthening the capacity of the Government of Ukraine to provide social support during and after the war, as well as improve the accessibility, sufficiency, and sustainability of social benefits and services for the poor, vulnerable, and internally displaced.
- The INSPIRE project – an IPF with Performance-based Conditions (PBCs) – will be financed by a US\$1.2 billion IBRD loan backed by a “guarantee”-type instrument from the Government of Japan. The project will be designed as a fast-disbursing operation – with at least US\$900 million to be disbursed by the end of the calendar year 2023 and US\$300 million to be disbursed in March 2024.
- The project will focus on relief through financing a large share of the government’s social assistance programs (29 types of benefits) which are not financed by the PEACE project. The loan funds will be disbursed against the achievement of 6 PBCs aligned with reform measures focused on enhancing targeting, efficiency, and sustainability of Ukraine’s social safety net (social assistance for IDPs, Guaranteed Minimum Income program, Housing and Utilities Subsidy, and social services).
- The Bank can potentially scale up its assistance to support further social safety net reform efforts through Additional Financing to the INSPIRE project in 2024 – subject to lending resources being available.
- The Bank team has been working closely with the Ministry of Social Policy and the Ministry of Finance to finalize the reform package to be supported by the INSPIRE:
 - (i) The MoF has reviewed and agreed to the list of 29 benefit programs proposed to be financed by INSPIRE and shared its projections on these programs’ spending covering the period from January 2023 to February 2024. Thus, using retroactive financing, INSPIRE is expected to disburse US\$1.2 billion by the end of March 2024;
 - (ii) The MOF has reviewed and revised the list of PBCs proposed by the Ministry of Social Policy. It has been agreed to have another joint meeting in September 2023 to reconfirm the probability of achieving PBCs – to ensure timely disbursement – or revise them if needed. See Annex 1 for current list of PBCs.

MINUTES

MEETING WITH H.E. OKSANA ZHOLNOVYCH, MINISTER OF SOCIAL POLICY OF UKRAINE

WEDNESDAY, AUGUST 30, 2023

The meeting between representatives of the Ministry of Social Policy and the World Bank was held on August 30, 2023 and was attended by:

Ministry of Social Policy: Oksana Zholnovych, Minister of Social Policy of Ukraine, Daryna Marchak, First Deputy Minister of Social Policy, other representatives of management and staff of the Ministry

World Bank: Michal Rutkowski, Regional Director, HECDR; Paolo Belli, Practice Manager, HECSP; Gevorg Sargsyan, Country Manager, ECCEE; Kateryna Petryna (Senior Social Protection Specialist, HECSP); Nithin Umapathi (Senior Economist, HECSP); Anna Baranova (Social Protection specialist, HECSP); Olena Doroshenko (Senior Economist, Health, HECHN); and Anastasiia Bihun (Team Assistant, ECCUA).

Summary of discussion on the World Bank engagement in Ukraine in the area of social protection

1. The World Bank team noted the importance of social protection mechanisms in ensuring continued provision of support to the vulnerable population during the war and commended the Government for their continued financing as well as short-term adaptations. The team reaffirmed the World Bank's commitment to supporting Ukraine by financing and technical assistance to ensure relief, sustainable recovery, and resilient reconstruction.
 - The ongoing war poses risks to Ukraine's human capital gains, which may have long-lasting social impacts. At the same time, the Ukrainian Government has shown remarkable resilience in keeping the social protection system functioning – including with the support of World Bank financing and technical assistance. Despite the full-scale invasion, over 10 million pensioners and more than 6 million social assistance programs' beneficiaries, including around 1.5 million IDPs, continue to receive benefits. The World Bank team recognized the leadership of the Ministry of Social Policy (MoSP) in introducing response measures to ensure that the most vulnerable are supported throughout the war (like expanding the IDP assistance program, extending the duration of benefits without the requirement of re-enrollment, and introducing a mechanism to pay benefits in war-affected areas) while taking steps to strengthen the existing safety nets.
 - During the first months of the war, the World Bank was proactive in restructuring ongoing operations to co-finance the social protection programs. Specifically, the Social Safety Nets Modernization Project, Eastern Ukraine: Reconnect, Recover, Revitalize (3R) Project, and Improving Higher Education for Results Project cumulatively reallocated around \$255 million to co-finance the Guaranteed Minimum Income, social assistance to IDPs, and social scholarship programs. The PEACE project, which currently totals US\$19.244 billion, channels a significant amount of its funds to finance social protection programs, including the Guaranteed Minimum Income (Social Assistance to Low-Income Families) – the Government's main anti-poverty program, pensions, disability and child benefits, and payments to the Internally Displaced Persons (IDPs). The World Bank team noted that the World Bank stands ready to continue to support Ukraine using a combination of financing, technical assistance, and global knowledge.
2. The meeting participants acknowledged the importance of continuing policy dialogue and close collaboration between the Government and World Bank team to finalize the design and scope of INSPIRE project and ensure its delivery to the Board in November 2023.
 - Ukraine is currently grappling with three major challenges related to wartime social assistance. Firstly, targeted financial support for the most vulnerable groups needs improvement as its coverage and adequacy are low. Secondly, benefits for internally displaced families must be more fiscally sustainable and targeted. Lastly, there is a need to expand the capacity for rapid scale-up of the Housing and Utilities Subsidy (HUS) program by establishing an institutional foundation and management information system that facilitates the exchange of information between registries and databases during the increase in energy tariffs.

- The World Bank team is working on the preparation of the Investing in Social Protection for Inclusion, Resilience, and Efficiency Project (INSPIRE) Project aimed at strengthening the capacity of the Government of Ukraine to provide social support to the poor and vulnerable during and after the war and improving the access, adequacy and sustainability of social benefits and services for the poor, vulnerable, and internally displaced.
 - INSPIRE – an IPF with Performance-based Conditions (PBCs) – is proposed to be financed by a US\$1.2 billion IBRD loan backed by a “guarantee” from the Government of Japan. The project will be designed as a fast-disbursing operation - with at least US\$900 million to be disbursed by the end of the calendar year 2023 and US\$300 million to be disbursed in March 2024.
 - The project will focus on relief through financing a large share of the government’s social assistance programs that are not financed by the PEACE project and support of reform measures related to (i) improving the targeting and fiscal sustainability of the IDP assistance program; (ii) increasing the coverage of the Guaranteed Minimum Income program for poverty relief; (iii) improving the institutional and information management systems to better respond to rising energy costs - through enhanced scalability and targeting of the Housing and Utilities Subsidy program, and (iv) piloting the enhanced approaches to the delivery of social services to the war-affected and vulnerable groups. The World Bank team is working with the Ministry of Social Policy and the Ministry of Finance to agree on the details of the reform package to be supported by the INSPIRE.
3. The Minister highlighted the importance of further development of community-based social services to provide adequate support and rehabilitation to war-affected groups, including orphans, the elderly, and persons with disabilities, ensure the integration of Internally Displaced Persons into host communities, and efficiently respond to the multidimensional challenges faced by the families of fallen soldiers and war veterans.
- The Minister noted that the development of social services is one of the key priorities of the Ministry of Social Policy.
 - Under the decentralization reform, the delivery of social services was shifted to the community level, and local authorities are responsible for the financing and provision of such services. Thus, developing community-based services is a prerequisite to efficiently link benefits with social services and activation - to help beneficiaries graduate from poverty and welfare. Yet the capacities and financial resources of the social care facilities are limited. This results in significant inequities in access to and quality and financing of social services.
 - Under the All-Ukrainian Mental Health Program initiated by the First Lady, the Government is implementing a comprehensive program to ensure universal access to mental health services. The MoSP has initiated the establishment of “resilience centers” - barrier-free, inclusive spaces that will serve as a single-entry point for social services, including psychosocial support. In addition, these centers will provide training for first-line responders and volunteers to strengthen communities’ resilience and preparedness to respond to emergencies.
 - There is a need to implement efficient mechanisms to adequately finance community-based social services from various sources and develop the social service market to address supply gaps. The Ministry of Social Policy plans to launch a pilot in September 2023 aimed at establishing a national purchasing agency to co-finance (on a temporary basis) selected social services that local communities are currently unable to provide in sufficient quantity and/or quality. The MoSP would require technical and financial assistance to build the capacity of the purchasing agency.
 - The World Bank team reaffirm the Bank’s commitment to supporting social service development. Specifically:

- (i) The ongoing JSDF Community-Based Social Service Delivery Project directly supports the development of social services at the community level. The project is implemented in 28 communities of Ternopil and Odesa regions of Ukraine. During the ongoing war, the project operationalized ten community-based social service delivery centers to strengthen the community's capacity to support IDPs, families with children, elderly and disabled persons, and other vulnerable groups.
- (ii) The INSPIRE project will support the piloting of procurement of social services for war-affected groups through one of the PBCs.

MINUTES

Online consultation with stakeholders

Chaired by the MINISTRY OF SOCIAL POLICY OF UKRAINE

OCTOBER 3, 2023, 3 PM – 4 PM

Participants:

Stakeholders

Oleksandr Vozniuk, Head of the "Human Rights Union of People with Disabilities", NGO
 Olga Ilyushko, All-Ukrainian "Human Rights Union of People with Disabilities", NGO
 Rostyslav Kis, Caritas, NGO, charitable organization
 Olha Yaroshchuk, Director of the Volyn Regional Center for Social Service Delivery,
 "League of Social Workers of Volyn", NGO
 Dmytro Posunko, "National Association of People with Spinal Disorder of Ukraine", NGO
 "Turbota", NGO
 Yuliia Halkina, Children's Service, Vylkivska territorial community
 Maria Styopina, Department of Social Policy Chernivtsi City Council
 Anna Dudnyk, Department of Social Policy of Rivne City Council
 Lyubov Khavtur, Baikovets village Council
 Yuriy Chuchko

Ministry of Social Policy

Daria Marchak, First Deputy Minister of Social Policy
 Tetiana Shyptenko
 Inna Varchenko

World Bank

Anna Baranova, Social Protection Specialist, HECS
 Mariia Nikitova, Social Development Specialist, SCASO
 Iryna Kalachova, Consultant, HECS
 Vitalina Vergeles, Team Assistant, ECCUA

Summary of the discussion:

- The participants confirmed that the project is an important and timely operation to support Ukraine during the war and noted that the project-financed activities should be targeted to the beneficiaries of social assistance and services, considering their interests and needs.
- The stakeholders shared positive feedback on the plans of the Ministry of Social Policy to pilot introducing integrated ‘social service for resilience’, supporting the population in reducing the overall level of stress and anxiety, helping to adapt to the new reality during the ongoing crisis, develop stress resistance skills, and prevent psychological trauma, minimizing risks of repeated traumatization. The participants expressed support for developing a unified mechanism for social service delivery to individuals and families in difficult life circumstances and vulnerable groups and increasing the resilience and social cohesion of the communities.
- The participants expressed interest in the analytical work the Ministry of Social Policy carries out with donors’ support to assess the communities’ needs for social services. The MoSP will share the results of the assessment with the consultation participants.
- The participants emphasized the need to promote the development of civil society in Ukraine and involve its representatives in the formation and implementation of measures that will stimulate the development of community-based social services (through participation in working groups, consultations, etc.). Participants expressed the view that non-governmental organizations could act as intermediaries between the Ministry of Social Policy and communities, providing up-to-date information on local needs. The prospect of procurement of social services at the expense of the state budget and the involvement of non-state and private providers of social services aroused great interest and positive feedback from the participants.

Announcement ([link](#)):



**МІНІСТЕРСТВО
СОЦІАЛЬНОЇ ПОЛІТИКИ
УКРАЇНИ**

КОНСУЛЬТАЦІЇ З ГРОМАДСЬКІСТЮ

Консультації з громадськістю

Консультації з громадськістю проводяться з метою залучення громадян до участі в управлінні державними справами, надання можливості для їх вільного доступу до інформації про діяльність органів виконавчої влади, а також забезпечення гласності, відкритості та прозорості діяльності зазначених органів. Проведення консультацій з громадськістю має сприяти налагодженню системного діалогу органів виконавчої влади з громадськістю, підвищенню якості підготовки рішень з важливих питань державного і суспільного життя з урахуванням громадської думки, створенню умов для участі громадян у розробленні проектів таких рішень.

- Електронні консультації з громадськістю
- ПОСТАНОВА КМУ від 3 листопада 2010 р. N 996
- Орієнтовний план консультацій з громадськістю
- Інформація про проведені консультації

ПОСТАВИТИ ЗАПИТАННЯ

Annex 3: Glossary of terms

Affected Parties	persons, groups and other entities within the Project Area of Influence 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;
Other Interested Parties	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;
Vulnerable Groups	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).
Consultation	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.
Disclosure	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;
Engagement	A continuous two-way process in which an implementing agency, company or organization builds and maintains constructive and sustainable relationships with 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.
Principles for stakeholder engagement	<ul style="list-style-type: none"> ▪ 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.