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

Palestinian Emergency Financing Facility

(P504704)

ADDENDUM

to

Stakeholder Engagement Plan (SEP)

for Retroactive Financing Activities

Second Additional Financing

August 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) second AF will finance the recurrent wage bill of health sector employees in the West Bank for the months of April 2024 to June 2024 paid in June to August 2024 and the recurrent wage bill of education employees for the month of March 2024 to June 2024 paid in May 2024 to August 2024. The financing provided will cover salary payments for the health sector employees for the months of April 2024 and May 2024 at 60 percent of monthly salary, and June 2024 at 70 percent of monthly salary. It will also cover salary payments for the education sector employees for the months of March 2024 at 50 percent of monthly salary, April 2024 and May 2024 at 60 percent of monthly salary, and June 2024 at 70 percent of monthly salary. Like the first AF, the second AF comprises of the same two components; **component 1** - Education and Health Sector Employees' Salaries, will support a 100% retroactive financing for partial payment of the salaries of healthcare and education sector employees. Project beneficiaries include briefly; (i) education employees in the West Bank, including staff that work in institutions providing basic, secondary, pre-primary, and vocational education. Employees include teachers and other staff including school principals, janitors, administrative assistants, counselors and other support staff, and (ii) health sector employees who are staff working in hospitals, primary health care centers and other public health institutions located in the West Bank, including doctors, nurses, technical specialists, administrative staff, janitors, counselors, and other support staff. **Component 2** – Project audit, covers the cost of the audit required for the project and will be scaled up to US $40,000 to expand the coverage of the audit to the additional health and education sector employees' salaries covered under the first and second AF.

Project Affected and Interested Parties

As the first AF, project beneficiaries for the second AF include eligible Palestinian Authority MoE and MoH employees in the West Bank. The second AF will also benefit students, their families, and the general population through continued delivery of education services; and the sick, injured, persons requiring medical care (including but not limited to Mental Health and Psychosocial Support Services (MHPSS), Primary Healthcare (PHC), family planning, surgeries etc.) and the general population through continued access to healthcare services. Parties interested include (but are not limited to) families of project beneficiaries, government agencies such as MoF, MoE, and MoH, Ministry of Labor (MoL) Ministry of Social Development (MoSD), teachers' representative associations/unions, medical workers' representative associations/ unions, Community Based Organizations (CBOs) working in education such as Teacher's Creativity Center, CBOs working in the health sector such as Juzoor and the Palestinian Red Crescent Society (PRCS), Non-Governmental Organizations (NGOs), International NGOs (INGOs), donors, and the media. Vulnerable categories (within both the education and health personnel) include (but not limited to) women headed households, economically disadvantaged households, households with family members with disabilities, and households in areas affected by security challenges.

Summary of stakeholder engagement during project preparation

During preparation of the second AF, and given the security challenges and movement restrictions across the West Bank and the emergency nature of the project, bilateral high-level consultations were condcuted during the week of August 12, 2024 (prior to appraisal) to get feedback about the project. Specifically, consultations were held with representatives of: (i) MOF (Public Relations Unit, Payroll Directorate, and the PCU); (ii) MoE (Administrative affairs, and the PMU); and (iii) MoH: (Human Resources Directorate and the PMU. The Bank team informed government officials about the proposed second AF and the progress of the parent project and the first AF. The Bank team also explained that the same requirements will apply to the second AF including the E&S requirements. Participants asked whether an audit will be condcuted for the second AF. The Bank team explained that the auditor report of the parent operations has been issued on time with a clean audit report, and a minor management letter, in addition the payroll verification report has also been issued on time with minor observations, mainly related to the timely update of employees' changing status. The project audit will be expanded to cover the health sector employees' salaries as well as the education employees covered under the second AF.

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 mechanism at MoF for addressing complaints will also be used during the second AF project implementation and this mechanism will be strengthened during implementation of the to ensure better function and effectiveness.

A description of stakeholder engagement measures, including for information disclosure/feedback and grievance redress, is included in the Project Operational Manual (POM) which was cleared on February 2024 and will be used for the second AF.

The status of complaints received for the retroactive financing period was examined in the social audit for the project. During the period from June 1st to August 19, 2024, the MoF Complaint Unit has received two complaints related to the project. One complaint was handled and resolved while the remaining complaint is still under processing. The first complaint, received on August 1st, involved an error in calculating a teacher's years of service. This issue is currently under review by the Salaries Department and will be resolved within the timeframe stated in the project's GM. The second complaint, filed on July 31st, was against one of the Palestinian local banks regarding a salary deduction due to a loan. As this matter falls outside the Ministry of Finance's jurisdiction, the complainant was informed to address it directly with the bank. As such, the complaint was resolved and closed on August 1st. Beneficiaries also contacted the complaint unit at the MoF (in person and through the feedback/complaints system) with inquiries regarding payroll and salary related issues (i.e. salary deductions, transportation fees, end-of-term bonuses..etc) and were provided with the relevant information. The complaint unit has replied to more than 40 inquiries during the parent and the first AF implementation period.

The social audit for the first AF verified that the complaints received under the parent project and the first AF have been handled in line with the MOF grievance management system. As such, the social audit identified few areas that can be strengthened including (a) enhancing public awareness of the project's GM through further dissemination of information about available complaint tools and procedures, including SEA/SH uptake channels and refferal pathways, and (b) strengthening mechanisms for engaging and receiving feedback from beneficiaries. The corrective actions of the social audit will be reflected in the second AF ESCP to be implemented by the MoF.

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.pmof.ps/pmof/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.

Further details on the MOF centralized complaint system (i.e. days for treatment of the request, governance mechanisms, and time for resolution, appeal processes) are provided in the Ministerial Decision regarding the Complaint System of the year 2016 available at http://muqtafi.birzeit.edu/pg/getleg.asp?id=16875 (in Arabic).

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 Ministry of Social Development (MoSD). The mechanisms and processes used by the MOF are confidential, and survivor centered. Further details about the government referral system can be found at http://muqtafi.birzeit.edu/en/pg/getleg.asp?id=18737 (in Arabic).