

REPUBLIC OF LEBANON
Ministry of Finance (MOF)

Lebanon Fiscal Management Project
(P181155)

PRELIMINARY
STAKEHOLDER ENGAGEMENT PLAN (SEP)

BEIRUT

October 2023

Abbreviations and Acronyms

AFD	Agence Française de Développement
CERC	Contingent Emergency Response Component
COVID-19	Coronas Virus
CSO	Civil Society Organization
E&S	Environmental and Social
ESF	Environmental and Social Framework
ESS	Environmental and Social Standard
EU	European Union
GDP	Gross Domestic Product
GOL	Government of Lebanon
GM	Grievance Mechanism
ICT	Information and Communication Technologies
IMF	International Monetary Fund
LFF	Lebanon Financing Facility
LMP	Labor Management Procedures
LPHU	Lebanese Physically Handicapped Union
MENA	Middle East and North Africa
MOE	Ministry of Environment
MOF	Ministry of Finance
MOSA	Ministry of Social Affairs
NACC	National Anti-Corruption Commission
NGO	Non-Governmental Organization
PBC	Performance-Based Condition
PCU	Project Coordination Unit
PFM	Public Financial Management
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
SEP	Stakeholder Engagement Plan
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner on Refugees
WB	World Bank

Table of Contents

Abbreviations and Acronyms	2
Table of Contents	3
List of Tables	4
1. Introduction and Project Description	5
2. Objective/Description of SEP	7
3. Stakeholder identification and analysis	7
3.1 Methodology	7
3.2. Affected parties and other interested parties	8
3.3. Disadvantaged/vulnerable individuals or groups	9
4. Stakeholder Engagement Program	10
4.1. Summary of stakeholder engagement done during project preparation	10
4.2. Summary of project stakeholder needs	12
4.3. Stakeholder engagement plan	13
4.4. Reporting back to stakeholders	14
5. Resources and Responsibilities for implementing stakeholder engagement activities	14
5.1. Human Resources.....	14
5.2. Budget	14
6. Grievance Mechanism	15
6.1. Description of GM	15
6.2. Principles of a Grievance Mechanism	15
6.3. Grievance Mechanism Handling Process	16
7. Monitoring and Reporting	19
7.1. Summary of how SEP implementation will be monitored and reported.....	19
7.2. Reporting back to stakeholder groups	20
List of Annexes	Error! Bookmark not defined.
Annex 1: Sample of Invitation letter/Letter sent.....	Error! Bookmark not defined.
Annex 2: Power Point Presentation/Project Summary.....	Error! Bookmark not defined.
Annex 3: List of Stakeholders consulted	Error! Bookmark not defined.
Annex 4: Feedback received from the consultations.....	Error! Bookmark not defined.

List of Tables

Table 1: Feedback received on consultations	11
Table 2: Summary of stakeholders needs	12
Table 3: Strategy Engagement Plan	13
Table 4: Proposed Budget for SEP Implementation.....	Error! Bookmark not defined.

1. Introduction and Project Description

For more than three years, Lebanon has been impacted by a devastating multi-pronged crisis. The unfolding economic and financial crisis that started in October 2019 has been further exacerbated by the dual economic impact of the COVID-19 outbreak, and the Port of Beirut explosion in August 2020. Lebanon crisis ranks among the worst crises globally since the mid-nineteenth century¹. Real GDP has contracted by close to 40 percent since 2018 while nominal GDP plummeted from close to US\$52 billion in 2019 to an estimated US\$21.5 billion in 2022; the crisis has wiped out more than 15 years of economic growth.

The crisis has caused staff attrition and absenteeism in the public sector, severely impacting the government's ability to respond to the crisis, maintain core government operations and basic services for citizens, and to create the foundations for recovery. Currency devaluation has eroded public sector salaries, rendering them too low for civil service staff to afford fuel costs to commute and basic day-to-day necessities. As a result, a significant number of staff have left the public sector, either for the private sector where salaries have been partially adjusted or for opportunities abroad, leaving a critical skills gap in the public sector. For staff that remain, there are high absenteeism rates with a majority of staff only coming into the office one day of the week.

The proposed project will bring development results by restoring critical public financial management functions.

The Project Development Objective is to mobilize and allocate public resources in an accountable manner, to support the crisis response and recovery in Lebanon.

The project is comprised of 4 components and a CERC component:

Component 1: Stabilizing Revenue Administration in Domestic Revenue Mobilization (US\$12.1 million: loan US\$10.6 million and grant US\$ 1.5 million). This will help provide much-needed fiscal space to allocate funding for urgent needs and to finance recovery and/or debt reduction. It is comprised of 3 subcomponents as follows: Subcomponent 1.1: Strengthening Large Taxpayer Office and Large Debtor Unit. The aim of the subcomponent is to enhance tax compliance. Subcomponent 1.2 Restoring basic functions of Customs. The project will support implementation of the existing Customs Law through training and capacity building, to ensure basic functioning of the customs administration and to be in alignment with international obligations. Subcomponent 1.3: Restoring Revenue management ICT systems. The subcomponent will provide support to maintain and make critical upgrades to the hardware, software, and the ICT capacity of the tax and customs ICT systems. Additionally, funding will be provided to install solar panels for electricity generation, in the buildings of these agencies as needed.

¹ World Bank Spring 2021 Lebanon Economic Monitor.

Component 2: Restoring Fiscal Controls (US\$ 12.4 million: loan US\$10.4 million; grant US\$ 2 million). The objective of the proposed component is to reestablish the critical pillars for allocating and utilizing resources to meet urgent needs and set the foundation for recovery. The component supports the following subcomponents: Subcomponent 2.1: Strengthening Budget Preparation. The subcomponent will support the resumption of a budget preparation process that will result in a timely and balanced annual budget, underscored by a sound macro fiscal framework and supports the crisis response and recovery. Subcomponent 2.2: Regularizing Fiscal Reporting. The subcomponent will support the clearance of the backlog and regularize the generation of budget execution reports, annual financial statements, and bank reconciliations that are essential for closely monitoring budget execution and fiscal risks. Subcomponent 2.3. Maintaining Timely Payments. This subcomponent supports the maintenance of an efficient payment function. Subcomponent 2.4. Restoring Cross-cutting ICT functionalities. The subcomponent will replace urgent main hardware such as servers, software and licenses that provide cross cutting support to expenditure management. Funding will be provided to install solar panels for electricity generation, in the buildings of these agencies as needed.

Component 3: Revitalizing Oversight and Accountability Institutions and Procurement Capacity Building (USD\$ 5 million: loan US\$ 5 million; grant US\$ 0). This component aims to restore the role and capacity of the Court of Accounts (CoA), Central Inspection (CI) and the new public procurement authority in their oversight, audit, capacity building and inspection mandates and expand their engagement with the citizens. Subcomponent 3.1 Increase Capacity to oversight and accountability institutions. In the short term, support will be provided to strengthen the capacity of the Court of Accounts (CoA) and Central Inspection (CI) in performing some of their core functions. Subcomponent 3.2 Procurement certification programs and training. The proposed initiative will support establishing a certification program in public procurement. A third-party certification entity will independently certify practitioners' learning performance. IT equipment, office supplies, and software for the operations and for training of management shall be supported. Furthermore, funding will be provided to install solar panels for electricity generation, in the buildings of these agencies as needed.

Component 4: Project Management (US\$2.5 million: loan US\$2.5 million; grant US\$ 0). This component will support the management, coordination, communication and M&E of project activities.

Component 5: Contingent Emergency Response Component - CERC (US\$ 0). This component will support provision of immediate response to an Eligible Crisis or Emergency, as needed.

The Project is being prepared under the World Bank's Environment and Social Framework (ESF). Per Environmental and Social Standard (ESS)10 on Stakeholder Engagement and Information Disclosure, the implementing agency, MOF should provide relevant stakeholders with timely, relevant, understandable, and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination, or intimidation.

This Stakeholder Engagement Plan (SEP) is prepared to respond to the requirements of ESS10. **It is a living document and will be updated as needed in line with the ESCP during the project life cycle.**

Other E&S instruments were prepared for this project and these are the **Environmental and Social Engagement Plan (ESCP)**, the **Labor Management Procedures (LMP)**, the **Occupational Health and safety Plan (OHS) Plan** and the **Waste Management Plan (WMP)**.

2. Objective/Description of SEP

The overall objective of this Stakeholder Engagement Plan (SEP) is to define a program for stakeholder engagement, including identification of relevant stakeholders, public information disclosure and consultation throughout the entire project cycle. The SEP outlines the ways in which the project team will communicate with identified stakeholders and includes a mechanism by which people can raise concerns, provide feedback, or make complaints about project activities or any activities related to the project.

3. Stakeholder identification and analysis

3.1 Methodology

To meet best practice approaches, the project will apply the following principles for stakeholder engagement:

- *Openness and life-cycle approach*: Consultations for the relevant project(s) activities will be arranged during the whole life cycle, 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 identified stakeholders for relevant project activities in an appropriate format; opportunities are provided for communicating stakeholder feedback, and 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 is inclusive. All identified stakeholders at all times are encouraged to be involved in the consultation process. Equal access to information is provided to all identified stakeholders. Sensitivity to stakeholders' needs is the key principle underlying the selection of engagement methods. Special attention is given to identified vulnerable groups, if any, that may be at risk of being left out of project benefits, particularly women, the elderly, persons with disabilities, displaced persons, and migrant workers and communities, and the cultural sensitivities of diverse ethnic groups.
- *Flexibility*: If governance factors (for example, high risk of retaliation) inhibit traditional forms of face-to-face engagement, the methodology should adapt to other forms of engagement, including various forms of internet- or phone-based communication.
- *Scope*: As different project activities are geared to different stakeholders; the above approach will be targeted to stakeholders identified to a specific project activity.

Following the main principles of proportionality to project activities, flexibility, inclusiveness and sensitivity as outlined above and as per ESS10 objectives, the Borrower will engage, throughout the project life cycle, with the below identified 3 categories of stakeholders including project affected parties, other interested parties and vulnerable groups, with the objective of raising awareness related to the proposed project components, the Environmental and Social Framework (ESF), the project associated environmental and social impacts and the respective mitigation measures in line with the key environmental and social instruments which have been prepared under this project as mentioned

above. The project grievance mechanism and responsible persons in charge of implementation and monitoring of the E&S instruments will also be effectively communicated to affected stakeholders. The dissemination of the project information will also be coordinated closely with the communications specialist to ensure all relevant project details and information are adequately communicated following the relevant channels and will be documented.

3.2. Affected parties and other interested parties

- 1- **The Ministry of Finance (MOF)** leads the Government's economic reform through sound formulation and management of fiscal policy and public debt in order to foster sustainable economic growth in alignment with national priorities.
- 2- **The Ministry of Environment (MOE)** sets the national environmental policy. The service of **MOE** sets the national environmental policy. The service of Urban Environmental Protection is mandated the monitoring of solid waste.
- 3- **Lebanese Center for Energy Conservation (LCEC)**: LCEC's mission is to lead the efforts of Lebanon in the development of Energy Efficiency and Renewable Energy to increase energy security and de-carbonization levels. LCEC proactively develops policies, implement projects, and shape the market in harmony with the global sustainable energy transition (<https://lcec.org.lb>). As the technical arm of the Ministry for Energy and Water, LCEC is involved in supporting projects and initiatives launched by the Ministry in the sustainable energy sector.
- 4- **Ministry of Energy and Water (MoEW)**: The Ministry of Energy and Water undertakes the affairs of water, electricity, oil, minerals, mines and quarries. The LCEC falls under the responsibility of the MoEW.
- 5- **The Central Inspection** has the authority to audit all public institutions. It plays a central role in uncovering any violation of the applicable laws and regulations. It provides also guidance, advice and recommendations to improve administrative processes and coordinate joint operations between public administrations.
- 6- **Public Procurement Institutions** such as the Central Tender Board that is meant to act as the main public procurement agency.
- 7- **The Court of Accounts** is tasked with overseeing the management of public funds. Its mandate does not cover all public bodies as its role overlaps with the MOF in control over proposed and past expenditure, and punishments.
- 8- **Council of Ministers (COM)** which will lead the reform under the Lebanon Financing Facility (LFF) umbrella as the project will benefit from parallel co-financing from the multi-donor Lebanon Financing Facility (LFF) for Reform, Recovery and Reconstruction.
- 9- **National Anti-Corruption Commission (NACC)** that is responsible for disclosing the financial disclosures of employees, heads of state, MPs, and ministers, punishing illicit enrichment, recovering funds obtained through corruption, protecting whistle-blowers, preserving the right to access information, supporting transparency in the petroleum sector, combating money laundering and terrorist financing, and exchanging information for investigative purposes.

10²

² <https://www.abl.org.lb/english/home>

- 11- United Nations Development Programme (UNDP)** is carrying out an e-readiness assessment as part of the digital transformation reforms, and potentially supporting Domestic Revenue Mobilization (tax compliance policy). UNDP is also carrying out a diagnostic on civil servants' incentives provided within the Lebanese administration
- 12- Agence Française de Développement (AFD)** is a public financial institution that implements the policy defined by the French Government. It works to fight poverty and promote sustainable development. AFD is providing technical assistance on public procurement reforms.
- 13- The European Union (EU)** is a major contributor to the Lebanon Financing Facility (LFF) and is committed to provide additional \$20 million contingent on the implementation of the IMF Staff-Level Agreement (SLA) leading to a comprehensive reform program. In addition, the EU is contributing to transparency and accountability reforms through its support to oversight bodies.
- 14- IMF** is conducting consultations, assessing the economic situation in the Country, and discussing policy priorities. In April 2022, a SLA with the IMF was reached on a US\$3 billion, 46-month lending program (Extended Fund Facility), subject to the implementation of eight prior actions and confirmation of international partners' financial support.
- 15- LFF Donors:** The project will benefit from parallel co-financing from the multi-donor Lebanon Financing Facility (LFF) for Reform, Recovery and Reconstruction. The proposed subcomponent under component 1 will build upon and be linked to results of the planned Civil Service Census to be conducted under the Fiscal Governance and Restoration ASA (P181162) using LFF funds
- 16- The Environmental and Social Non-Governmental and Civil Society Organizations (E&S NGOs and CSOs)** that are most active and who have knowledge about the environmental and social risks. The NGOs and CSOs are distributed in the sectors of environment, social, women, disabled and youth such as such as Lebanon Eco Movement, Lebanon Environment Forum, Live Love Recycle, Arcenciel which is involved in waste management, [Lebanese Solar Energy Society](#) which has members involved professionally and academically in promoting the use of solar and renewable energy.
- 17- Academic Institutes** such as: The American University of Beirut (AUB), Université Saint Joseph (USJ), Université Saint Esprit (USEK), University of Balamand
- 18- Public Administration Employee's Union**
- 19- The Arab Watch Coalition** is a regional coalition of civil society organizations that monitors the operations of International Financial Institutions in the region to make sure that the development processes are inclusive, participatory, just, and sustainable for all. The coalition engages with civil society, local communities, and right-holders to ensure their interests are reflected in national development³.

3.3. Disadvantaged/ vulnerable individuals and groups

It is important to understand project's impacts and whether they may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their

concerns or understand the impacts of a project. The project activities which are associated with minor civil works during IT upgrading and installation of solar panels may have disproportionate impacts on women groups and persons with physical disabilities and the youth through potential community health and safety impacts involving waste generation (including e-waste) and disposal sites and other traffic related risks associated with transport and shipment of goods and materials for the minor civil works associated with the project activities. Relevant NGOs representing such vulnerable groups will be involved in the consultations and include the Lebanese Union for People with Physical Disabilities, and Kafa.

4. Stakeholder Engagement Program

4.1. Summary of stakeholder engagement done during project preparation

During project preparation, the following consultation meetings and workshops were conducted to discuss project design.

- Ministry of Finance:
 - Minister's office
 - Acting Director General's Office
 - Macro-fiscal department
 - Public Debt Directorate
 - IT Department
 - Budget Directorate
 - Customs Directorate Revenues and VAT Directorate
 - Expenditures Directorate
 - Cash Management Department
 - Treasury Directorate
 - Public Accounting Directorate

- Prime Minister's Office
 - Deputy Prime Minister
 - Advisors to the Prime Minister

- Court of Accounts
- Central Inspection
- Institute of Finance

The summary findings and conclusions of the environmental and social instruments which were prepared by the MoF including the Environmental and Social Commitment Plan (ESCP), the Labor Management Procedures (LMP), Stakeholder Engagement Plan (SEP), Occupational Health and Safety Plan (OHS Plan) and the Waste Management Plan (WSMP) were presented by MoF via a brief in a written email and shared with all identified stakeholders as detailed above.

Feedback received to date during consultations were taken into account. A summary of the main recommendations received and integrated into the Stakeholder Engagement Plan is provided in table 1.

Table 1: Feedback received on consultations

Stakeholder (Group or Individual)	Dates of Consultations	Summary of Feedback	Response of Project Implementation Team	Follow-up Action(s)/Next Steps	Timetable/ Date to Complete Follow-up Action(s)
Beneficiary institutions (MoF, CoA, CI)	June and July 2023	Design: <ul style="list-style-type: none"> • Technical assistance should be field based and available regularly • A conducive work environment is key to staff productivity • Pragmatic measures are essential to bring staff back to work. Currently there is a high cost for regular attendance at work 	Project design will factor in these suggestions via results based financing and an expenditure framework that funds the requirements to achieve results .	Further updates on project design will be provided during project appraisal	August/September 2023
Minister of Finance and Prime Minister's Offices	June and July 2023	Design: Results-based financing is welcome	Project design will factor in these suggestions via results-based financing	Further updates on project design will be provided during project appraisal	August/September 2023
CSOs and Academia	October 2023	Invitations sent out 11 October 2023 and feedback is expected within 10 days. This section will be updated thereafter with feedback from the stakeholders and the SEP will be revised and redisclosed further to obtaining Bank clearances.			

4.2. Summary of project stakeholder discussion

Different engagement methods will be considered throughout the project life-cycle and cover different stakeholders needs as stated in Table 2 below: They may include (i) phone calls, (ii) focus group meetings/discussions, (iii), one-on-one interviews, (iv) meetings, (v) disclosure of information on social media or by emails, (vi) official correspondence and through engagement with the relevant and identified CSOs and NGOs

Table 2: Summary of stakeholders needs

Stakeholder Group	Key Characteristics	Languages needs	Type of notification (e.g., email, phone, radio, letter)	Specific needs
Government Agencies	<ul style="list-style-type: none"> – MOF including customs administration – MOSA, – MoE, MoEW, LCEC – , – Court of Appeals, – Central Inspection, – Public Procurement Institutions, – Court of Accounts, – NACC. 	Arabic	<ul style="list-style-type: none"> – Email. – official correspondence – Phone – Consultation meetings – one-on-one interviews – formal meetings – roundtable discussions 	Technical assistance to enhance work processes, emergency IT requirements to maintain the existing IT facilities and prepare for recovery, staff availability and a conducive work environment.
			–	
International Organizations	<ul style="list-style-type: none"> – UNDP, – AFD, – EU /LFF, – IMF. 	English	<ul style="list-style-type: none"> – Email. – official correspondence – Consultation meetings – formal meetings – roundtable discussions 	Transparency throughout project life-cycle
NGOs & CSOs	<ul style="list-style-type: none"> – E&S – Recycling and e-waste – Solar energy 	Arabic and English	<ul style="list-style-type: none"> – Email. – official correspondence – Phone – Consultation meetings – one-on-one interviews – formal meetings – roundtable discussions. 	Transparency throughout project life-cycle

Stakeholder Group	Key Characteristics	Languages needs	Type of notification (e.g., email, phone, radio, letter)	Specific needs
Academic Institutes Public	– High level education	Arabic and English	– Email.official correspondence – Phone – Consultation meetings – one-on-one interviews – formal meetings – roundtable discussions.	No specific need
MoF Administration Employees	– Very large number – All levels of literacy	Arabic	Disseminate information through union – Email. – official correspondence – Consultation meetings – one-on-one interviews – formal meetings – roundtable discussions	Transparency throughout project life-cycle
	—			

4.3. Stakeholder engagement plan

The stakeholder engagement plan is presented in Table 3 below. Information will be disclosed using the preferred notification and languages needs presented in Table 2.

Table 3: Strategy Engagement Plan

Project Stage	Estimated Date/Time Period	Topic of Consultation/ Message	Method Used (examples)	Target Stakeholders	Responsibilities
Project Design	Pre-Appraisal	Project Description SEP Labor Management Procedures (LMP) Grievance Mechanism (GM)	Phone Email Focus groups Consultation meetings one-on-one interviews formal meetings roundtable discussions	All identified stakeholders	MOF
Implementation Phase	<i>During the implementation of the project activities</i>	Activities under implementation and results GM	Workshop Social media Meetings with stakeholders	All identified stakeholders	MOF and PCU E&S specialist and communication specialist

Project Stage	Estimated Date/Time Period	Topic of Consultation/ Message	Method Used (examples)	Target Stakeholders	Responsibilities
Pre project closure	After project end	Information about impact, sustainability	Social Media	All identified stakeholders	MOF and PCU E&S specialist

4.4. Reporting back to stakeholders

Stakeholders will be kept informed, as appropriate, as the project develops, including reporting on project environmental and social performance and implementation of the SEP and GM, and on the project's overall implementation progress, as relevant to specific stakeholder.

5. Resources and Responsibilities for implementing stakeholder engagement activities

5.1. Human Resources

The MOF will be in charge of the stakeholders' engagement activities as outlined in this SEP. The MOF and the E&S specialist (to be hired as per the ESCP) will establish the process in due time.

5.2. Budget

The budget for the SEP is 18000 \$US and is included in component 3 of the project. The E&S specialist who will be recruited as part of the project and in line with the ESCP will ensure the monitoring and implementation of the below with due documentation in the progress report.

Table 4: Proposed Budget for SEP Implementation

Budget Category	Quantity	Unit Costs	Times/Years	Total Costs	Remarks
1. Estimated staff salaries * and related expenses					
1a. E&S specialist					Included in the PM cost
2. Events					
2a. Focus groups, group meetings and workshops	2	1000		2000	
3. Communication and disclosure of information					
3b. social media campaign and disclosure of information					
4. Trainings					
4a. Training on stakeholders' engagement for PCU				2000	
4b. Training on gender-based violence (GBV) for PCU and consultant/contractors staff				2,000	
6. Grievance Mechanism					
6a. Establishment of a solid GM				10,000	

Budget Category	Quantity	Unit Costs	Times/Years	Total Costs	Remarks
6b. Training of E&S specialist on GM				2,000	
TOTAL STAKEHOLDER ENGAGEMENT BUDGET:				18000	

6. Grievance Mechanism

6.1. Description of GM

The main objective of a Grievance Mechanism (GM) is to assist in resolving complaints and grievances in a timely, effective, and efficient manner that satisfies all parties involved.

GMs refer to the formal institutions and channels that capture relevant beneficiary complaints or grievances related to targeting, service delivery, or other program functions, and provide redress. GMs are not just developed for complaints since they also constitute a channel for a two-way communication between the implementer and the different stakeholders to communicate, share feedback, inputs, recommendations or any concerns or questions. Effective GM facilitates Project progress by reducing the risk that unaddressed complaints eventually lead to implementation delays, lengthy court procedures, or adverse public attention. The GM will be accessible to all relevant stakeholders who can use this mechanism to send their suggestions, concerns and complaints related to the Project.

The GM aims to provide individuals and communities who feel aggrieved by Project activities with accessible, timely, effective and culturally appropriate opportunities to raise their complaints, feedback, concerns and questions about the Project when it directly affects the complainant. It also aims to identify, propose and implement fair and appropriate solutions in response to the complaints and concerns raised.

Specifically, the objectives are to:

- Establish a system for receiving, recording and processing complaints and concerns in a timely manner with particular attention to vulnerable groups.
- Provide an effective, transparent, timely, fair and non-discriminatory system that would allow aggrieved persons to complain and avoid litigation.
- Ensure the sustainability of Project interventions and ownership by stakeholders.
- Minimize bad publicity and delays in Project implementation.
- Provide clarification in response to requests for information in a timely manner.
- Encourage the amicable settlement of complaints and avoid, whenever possible, recourse to the courts.

6.2. Principles of a Grievance Mechanism

The GM is guided by several key principles like:

- Protect the confidentiality and anonymity of complainants; practicing non-discrimination, centering their safety, and treating them with dignity and respect for their needs. The project staff must be trained on how to preserve the confidentiality and safety of complainants.
- Adopt risk-based approaches that aim to identify key risks of Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) and to undertake measures to prevent or minimize harm.

- Engage community partners as resources for knowledge on local-level risks, effective protective factors and mechanisms for support throughout the project cycle.
- Adapt and adjust prevention and mitigation measures to respond to the unique drivers.
- Ensure operations integrate mechanisms for regular monitoring and feedback to track effectiveness and to build internal knowledge of what works to prevent, mitigate and respond to complaints in any given setting.
- Adopt accessible, collaborative, expeditious, and effective approaches in resolving concerns through dialogue, joint fact-finding, negotiation, and problem solving

In general, GMs need to have multiple uptake channels, need to be accessible, collaborative, expeditious, and have timely responses and effective in resolving concerns through dialogue, joint fact-finding, negotiation, and problem solving.

6.3. Grievance Mechanism Handling Process

a) Receive and register grievance

Uptake channels should be available to gather and forward local people’s concerns to ensure widespread accessibility.

Currently, aggrieved stakeholders (complainants) can communicate their grievances by contacting Mrs Claudine Karaki by email on Claudinek@finance.gov.lb, Mr. Hasan Hamdan on by email on Hasanh@finance.gov.lb or Mrs Bassima Antonios by email on Bassimaa@finance.gov.lb . If there are any changes in the uptake channels, MoF will update the relevant information and will redisclose the SEP. MoF will also reflect the updates on their project website. MoF will compile all grievances in a grievance log which will be submitted on a regular basis with the quarterly progress reporting in line with the ESCP. This will be under the responsibility of the E&S specialist who will be recruited as part of the PMU and in line with the provisions of the ESCP.

- A variety of channels are already available but may not be operational for the time being, they are listed below. The SEP will be updated to include all contact details as soon as they are available as per the requirements of the ESCP; all contact details to be developed and established during the project preparation and included in the disclosed SEP and before commencement of project activities. By email on infocenter@finance.gov.lb; Claudinek@finance.gov.lb, Hasanh@finance.gov.lb, Bassimaa@finance.gov.lb .
- Through the following link <http://www.finance.gov.lb/en-us/Pages/ContactUs.aspx>
- By submitting an official letter through MOF registrar

The existence of the GM will be consistently publicized during all stakeholder engagement activities (meetings, focus group discussions, etc.) and also on the MoF website. In addition, the day and time of operation of the GM needs to be clearly mentioned in the SEP and communicated to all stakeholders.

Grievance Registration

The MOF will establish a centralized database (complaints log or data system) supported by the MOF E&S specialist and will require that all grievances received be logged into that database. Centralized logging and tracking are important both for accountability and for enabling continuous learning. The

MOF E&S specialist will ensure coordination with those personnel handling the calls and grievances followed by documentation.

The centralized database will include the following:

- A unique reference number of the complaint.
- The date and time of the complaint.
- Information about the complainant (name, gender, telephone number and preferred contact details, residence and address); complainant has the right also to raise the grievance anonymously.
- A brief description of the complaint to include details of the location, people involved so that a timeline of events can be created.
- The category of the complaint. A major incident requires reporting to World Bank within 48-hours.
- Time and date in which the complaint was closed/resolved.
- Note if the complainant chose to appeal.

b) Acknowledge, Assess, Assign

This step determines whether a complaint is eligible for the grievance mechanism. There should be a system to categorize, assign priority, and route grievances to the appropriate entity for handling and resolution.

Acknowledging receipt: Once information that a grievance has been received, the MOF centralized database will be updated. The person/entity raising the grievance will be contacted by the MOF E&S specialist to request additional information, if needed, within 3 working days from receipt of the grievance. Complaints could be acknowledged either in writing or through a phone call, depending on the complainant's preference. The acknowledgement of receipt shall contain information about the next steps in the procedure, target timeframe and the contact details of the person who has been assigned to investigate and manage the grievance. Clear timetables need to be made publicly available.

Assessing eligibility for the GM: The MOF will ensure that the issue being raised is relevant to the project. The MOF E&S specialist, responsible for the initial response, follows clear guidelines on what kinds of issues are eligible to be handled through the GM, and what issues should be referred to other mechanisms.

The types of complaints and questions/concerns or feedback to be dealt with are as follows:

- Concerns, questions, and clarifications related to the Project itself.
- Environmental impacts and nuisance (air pollution, noise, dust, vibrations etc.) as minor civil works are expected for the upgrading of the Information and Communication Technologies (ICT)
- Claims related to Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH).

Major incidents need to be reported to the World Bank within 48 hours (injury-related grievances, SEA/SH-related grievances, labor and livelihood-related grievances).

The process for addressing complaints would typically be along the following lines:

- *Nature of Complaints*

Grievances related to Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) are to be treated with confidentiality. The E&S specialist at MOF will be receiving those grievances first, and then the MOF will refer to the relevant GBV service providers as per the consent of the complainant. The World Bank team will be informed of any such incidents within 48 hours.

- The MOF E&S specialist will keep SEA/SH allegation reports confidential and, unless the complaint was received through the GBV service provider or other identified reporting channels, refer the

survivor immediately to the GBV service provider, depending on the consent of the complainant/survivor.

- The GBV service providers accompany survivors throughout the process and play a critical role by updating them on the grievance management progress and on safety planning, especially when sanctions are envisaged or will soon be implemented.
- As part of the established resolution mechanism SEA/SH allegations are considered and assessed, paying attention to due process for all involved, and in coordination with the accountability framework of the employer of the subject of the complaint. Agreement is reached on a plan for resolution as well as the appropriate disciplinary action for the perpetrator, all within the shortest timeframe possible to avoid further trauma to the survivor.

Assigning responsibility: The MOF E&S specialist is responsible for delegating the investigation to relevant personnel based on the type of grievance received. The grievance shall be investigated, and an Investigation Report shall be prepared and issued by the MOF E&S specialist after coordinating with relevant personnel, within 15 working days from registration of the grievance. The investigation shall involve an examination of the circumstances of the case and interviews with the parties involved. The report shall include details of the proposed steps to be taken to resolve the grievance based upon the facts. If resolution steps require disbursement of financial resources, the case shall be raised to the Project Manager for review and action.

c) Develop a proposed response and seek agreement on the response

The MOF E&S specialist will inform the person raising the grievance, within 10 working days from the date when the grievance was registered, of the outcome of the Investigation and of the proposed steps to be taken to resolve the grievance. This shall be conducted through a physical meeting/or remotely (if possible), with all persons who are able to be present.

When there is agreement between a complainant and the E&S specialist to move forward with the proposed action or stakeholder process, then the response should be implemented within the agreed timeframe, and the grievance will be closed.

If the person does not accept the resolution steps, MOF E&S specialist needs to make sure the complainant understands what other recourse may be available, whether through the judicial system or other administrative channels, and to document the outcome of the discussions with the complainant in a way that makes clear what options were offered and why the complainant chose not to pursue them. The persons will be able to appeal (as detailed below).

d) Appeal Procedures

As noted above, in some cases it may not be possible to reach agreement with the complainant on the proposed response. If the complainant is not satisfied with the resolution, he/she has the right to appeal. The MOF E&S specialist could ask for an independent person (e.g. MOF Legal Advisor) to help mediate the case. It is important that there is coordination with the E&S Specialist. At any time during the grievance resolution process, a complainant could seek independent legal advice or involve a court of law. The E&S specialist will ensure adequate follow-up of the appeal process to ensure the case is closed as promptly as practicably possible; the outcome should be documented.

e) Close out or refer the grievance

The final step is to close out the grievance. If the response has been successful, the E&S specialist should document the satisfactory resolution, in consultation with the complainant and ensure the

implementation of the settlement. In cases where there have been major risks, impacts and/or negative publicity, it may be appropriate to include written documentation from the complainant indicating satisfaction with the response. Continuous engagement and consultation with all key stakeholders and transparency during the project life cycle is important. Where needed, the E&S specialist will prepare a 'lessons learned' document that outlines the steps taken to avoid similar grievances from re-occurring in the future and shared with the PCU team.

If the grievance has not been resolved, E&S specialist should document steps taken, communication with the complainant (and other stakeholders if applicable), and the decisions made by the MOF and the complainant about referral or recourse to other alternatives, including legal alternatives (formal legal process of the national law).

GM documentation on particular cases should maintain confidentiality about details, while making public aggregate statistics on the number and type of complaints received, actions taken, and outcomes reached. Accurate case documentation using an electronic database is essential for public accountability, organizational learning, and resource planning.

The World Bank and the Borrower do not tolerate reprisals and retaliation against project stakeholders who share their views about Bank-financed projects.

1. Monitoring and Reporting

7.1. Summary of how SEP implementation will be monitored and reported

The E&S specialist and the PCU will assess progress on indicators in the Project's result framework. Data on activities and outputs will be included in regular quarterly reports prepared by the PCU.

7.2. Reporting back to stakeholder groups

The SEP will be published on the MOF official website and updated as needed to reflect relevant changes. The results of stakeholder engagement activities will be reported back to all relevant stakeholders who will be kept informed as the project develops whether involved or not in the implementation. The same communication mechanism will be applied for this purpose. Relevant stakeholders will be regularly reminded of the accessibility to the grievance mechanism.