

Document of
The World Bank

FOR OFFICIAL USE ONLY

Report No: PAD5586

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL GRANT

IN THE AMOUNT OF US\$ 10 MILLION

TO THE

PALESTINE LIBERATION ORGANIZATION (FOR THE BENEFIT OF THE PALESTINIAN AUTHORITY)

FOR A

WEST BANK AND GAZA EMERGENCY SOCIAL PROTECTION AND JOBS COVID-19
RESPONSE PROJECT SECOND ADDITIONAL FINANCING

December 1, 2023

Social Protection & Jobs Global Practice
Middle East And North Africa Region

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

CURRENCY EQUIVALENTS

(Exchange Rate Effective November 22, 2023)}

Currency Unit = ILS

ILS 1 = US\$ 0.26

US\$ 1 = ILS 3.73

FISCAL YEAR

January 1 - December 31

Regional Vice President: Ferid Belhaj

Country Director: Stefan W. Emblad

Regional Director: Fadia M. Saadah

Practice Manager: Anush Bezhanyan

Task Team Leader(s): Andras Bodor, Samira Ahmed Hillis

ABBREVIATIONS AND ACRONYMS

AF	Additional financing
AM	Accountability Mechanism
AWRAD	Arab World for Research and Development
C4W	Cash for Work
CERC	Contingent Emergency Response Component
CBT	Cash-Based Transfer
CTP	Cash Transfer Program
DA	Designated Accounts
DFIL	Disbursement and Financial Information Letter
EDD	End disbursement date
ESRC	Environmental and Social Risk Classification
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESHS	Environmental, Social, Health and Safety
ESM	Environmental and Social Management
ESMF	Environmental and Social Management Framework
ESO	Environmental and Social Officer
ESS	Environmental and Social Standards
EU	European Union
FMFA	Financial Management Framework Agreement
GHG	Greenhouse Gas
GRS	Grievance Redress Service
HEIS	Environmental and Social Hands-on Expanded Implementation Support
IA	Internal Audit
IFR	Interim Financial Reports
ISR	Implementation status and results report
LMP	Labor Management Procedures
M&E	Monitoring and Evaluation
MoF	Ministry of Finance
MoSD	Ministry of Social Development
MNA	Middle East and Northern Africa
MDTF	Multi Donor Trust Fund
NDCs	Nationally Determined Contributions
NGO	Non-Governmental Organizations
OCHA	Office for the Coordination of Humanitarian Affairs
PA	Palestinian Authority
PACPA	Palestinian Association of Certified Public Accountants
PBD	Post Benefit Distribution
PCU	Program Coordination Unit
PDO	Project Development Objective
PEF	Palestinian Employment Fund
PLO	Palestine Liberation Organization
POM	Project Operational Manual

PURSE	Palestinian Umbrella for Resilience Support to the Economy
RVP	Regional Vice President
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
SEP	Stakeholder Engagement Plan
SFA	Standard Form of Agreement
SR	Social Registry
TFGWB	Trust Fund for Gaza and the West Bank (TFGWB)
TPMA	Third-Party Monitoring Agent
UN	United Nations
UNRWA	United Nations Relief and Works Agency
WA	Withdrawal Applications
WB&G	West Bank and Gaza
WFP	World Food Programme

West Bank and Gaza

West Bank and Gaza Social Protection and Jobs COVID-19 Emergency Response Second Additional Financing

TABLE OF CONTENTS

I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING	8
II. DESCRIPTION OF ADDITIONAL FINANCING	10
III. KEY RISKS	14
IV. APPRAISAL SUMMARY	15
V. WORLD BANK GRIEVANCE REDRESS	20
VI SUMMARY TABLE OF CHANGES.....	22
VII DETAILED CHANGE(S).....	22
VIII. RESULTS FRAMEWORK AND MONITORING	27

BASIC INFORMATION – PARENT (West Bank Emergency Social Protection COVID-19 Response Project - P174078)

Country	Product Line	Team Leader(s)		
West Bank and Gaza	Special Financing	Samira Ahmed Hillis		
Project ID	Financing Instrument	Resp CC	Req CC	Practice Area (Lead)
P174078	Investment Project Financing	HMNSP (9344)	MNC04 (5562)	Social Protection & Jobs

Implementing Agency: Ministry of Social Development, Ministry of Labor/Palestinian Fund for Employment and Social Protection for Workers, Ministry of Finance

Is this a regionally tagged project?	
No	

Bank/IFC Collaboration
No

Approval Date	Closing Date	Expected Guarantee Expiration Date	Environmental and Social Risk Classification
27-Jul-2020	31-Dec-2023		Substantial

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach [MPA]	<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input checked="" type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input checked="" type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)

Development Objective(s)

To provide cash support and short-term employment opportunities to vulnerable populations in West Bank and Gaza affected by emergency shocks including COVID-19 and in case of an eligible crisis or emergency, respond to it promptly and effectively.

Ratings (from Parent ISR)

	Implementation					Latest ISR
	21-Oct-2020	23-Apr-2021	29-Oct-2021	26-May-2022	21-Nov-2022	26-May-2023
Progress towards achievement of PDO	S	S	S	S	S	S
Overall Implementation Progress (IP)	S	MS	S	S	S	S
Overall ESS Performance	MU	MU	MS	S	S	S
Overall Risk	S	S	S	S	S	S
Financial Management	S	S	S	S	S	S
Project Management	S	S	S	S	S	S
Procurement	S	S	S	S	S	S
Monitoring and Evaluation	S	S	S	S	S	S

BASIC INFORMATION – ADDITIONAL FINANCING (West Bank and Gaza Emergency Social Protection and Jobs COVID-19 Response Project Second Additional Financing - P181573)

Project ID P181573	Project Name West Bank and Gaza Emergency Social Protection and Jobs COVID-19 Response Project Second Additional Financing	Additional Financing Type Restructuring, Scale Up	Urgent Need or Capacity Constraints Yes
Financing instrument Investment Project Financing	Product line Special Financing	Approval Date 06-Dec-2023	
Projected Date of Full Disbursement 17-May-2025	Bank/IFC Collaboration No		
Is this a regionally tagged project? No			

Financing & Implementation Modalities

<input type="checkbox"/> Series of Projects (SOP)	<input checked="" type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input checked="" type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input checked="" type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)
<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)	

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed
Grants	39.42	39.42		100 %

PROJECT FINANCING DATA – ADDITIONAL FINANCING (West Bank and Gaza Emergency Social Protection and Jobs COVID-19 Response Project Second Additional Financing - P181573)

FINANCING DATA (US\$, Millions)

SUMMARY (Total Financing)

	Current Financing	Proposed Additional Financing	Total Proposed Financing
Total Project Cost	39.42	10.00	49.42
Total Financing	39.42	10.00	49.42
Financing Gap	0.00	0.00	0.00

DETAILS - Additional Financing

Non-World Bank Group Financing

Trust Funds	10.00
Special Financing	10.00

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any other Policy waiver(s)?

Yes No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

INSTITUTIONAL DATA

Practice Area (Lead)

Social Protection & Jobs

Contributing Practice Areas

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
Andras Bodor	Team Leader (ADM Responsible)		HMNSP
Samira Ahmed Hillis	Team Leader		HMNDR
Ala' Abd Minem Mohammad Turshan	Procurement Specialist (ADM Responsible)		EMNRU
Mohammad Ali Mousa Jaber	Financial Management Specialist (ADM Responsible)		EMNGU
Najm-UI-Sahr Ata-Ullah	Social Specialist (ADM Responsible)		SMNSO
Zeyad Abu-Hassanein	Environmental Specialist (ADM Responsible)		SMNEN
Abdalwahab Khatib	Team Member		EMNF2
Abeer Fuad Mashni Giroud	Team Member		SMNSO
Emily Weedon Chapman	Team Member		HMNDR
Ma Dessirie Kalinski	Team Member		WFACS
Maha Abdulraheem Ibrahim Bali	Team Member		MNCGZ
Manal M F Taha	Environmental Specialist		SMNEN
Mariana Margarita Montiel	Counsel		LEGAM
Marie Agnes Ndour Huchard	Team Member		HMNSP
Samantha M. Constant	Team Member		EMNPV
Samira Nikaein Towfighian	Team Member		HMNED
Vanessa Moreira da Silva	Team Member		HMNSP
Yash Gupta	Team Member		ESARU
Zein Azzam Ibrahim Daqqaq	Team Member		MNCGZ

Extended Team

Name	Title	Organization	Location
------	-------	--------------	----------



The World Bank

West Bank and Gaza Emergency Social Protection and Jobs COVID-19 Response Project Second Additional Financing (P181573)

I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

INTRODUCTION

1. **This project paper seeks approval of the Board of Executive Directors for a second Additional Financing (AF) grant of US\$10,000,000 for the Emergency Social Protection and Jobs COVID-19 Response Project to respond to the emergency needs of the people in Gaza.** The second AF would be financed from the Trust Fund for the West Bank and Gaza (WB&G) to the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority (PA) for the Emergency Social Protection and Jobs COVID-19 Response Project. It is in line with the PA's request for an urgent intervention to meet the pressing social protection needs of the vulnerable population in Gaza.
2. **The rationale for the second AF is to respond to the acute humanitarian emergency in Gaza.** The humanitarian needs in Gaza are extremely high: the United Nations (UN) estimating that US\$ 1.1 billion is needed for humanitarian response in Gaza between October and December 2023, US\$303.8 million of which is required for food security.¹ The project would contribute to this humanitarian need by financing emergency in-kind and/or cash support to vulnerable Gazans through the World Food Programme (WFP) and is expected to target an estimated 377,000 individuals in Gaza who have been heavily affected by the ongoing conflict in the Middle East. This support would be delivered through the WFP which has demonstrated delivery capacity.
3. **The proposed second AF will scale up the project's activities to support food security of vulnerable individuals in Gaza.** In addition, the project has been restructured to (a) revise the project development objective (PDO) to reflect the scale-up of the project with the inclusion of in-kind emergency support; (b) revise the title of Component 1 to include in-kind support; (c) revise sub-component 1.1 to include in-kind emergency transfers to people impacted by the conflict in Gaza; d) add two indicators to the results framework - one PDO and one intermediate to capture the scale-up of the project, and (d) extend the project closing date by two years from December 31, 2023, to December 31, 2025.

PARENT PROJECT

4. **The Emergency Social Protection and Jobs COVID-19 Response Parent Project (P174078) has made good progress toward achievement of the PDO and in its implementation,** despite the challenging political context. The parent project of US\$30 million was approved on July 27, 2020, and an additional financing (AF) of US\$9,422,990 and restructuring was approved in April 2022.² The project is fully disbursed and the mid-term evaluation in October 2023 confirmed the project's relevance, efficiency, and effectiveness. Status of the project's four components follows.

¹ UN OCHA "Flash Appeal for the Occupied Palestinian Territory 2023", November 6, 2023

² The parent project was funded by the Trust Fund for Gaza and the West Bank (TFGWB). The first AF was funded by the Palestinian Umbrella for Resilience Support to the Economy (PURSE MDTF) with contributions from Norway and the Middle East and Northern Africa Region Multi Donor Trust Fund (MNA MDTF) with contributions from Norway, Ireland, and Canada.



5. **Component 1: Emergency Cash Transfers in the West Bank and Gaza (US\$25.60 million).** This component helped mitigate the economic impacts of COVID-19 in WB&G and the May 2021 escalation in Gaza. It has reached in total 119,381 households exceeding the end target of 106,752.
 - a. **Sub-component 1.1: Emergency Cash Transfers to households vulnerable to poverty (US\$17.07 million).** With the last payment made in October 2023, 90,225 households received cash support, exceeding the target of 77,715 with 42 percent female-headed households (against a 50 percent target). Beneficiary surveys indicate an 80 percent satisfaction rate with the program.
 - b. **Sub-Component 1.2: Financing of the Cash-Transfer Program (CTP) funding gap (US\$8.53 million).** This sub-component reached 29,156 households, slightly exceeding the target of 29,037.
6. **Component 2: Cash for Work (C4W) in the West Bank (US\$11.13 million).** This activity provided sub-grants to 19 NGOs to implement cash-for-work sub-projects in the social sector. The component reached 3,975 beneficiaries, exceeding its targeted 3,940, with 85 percent female beneficiaries (against a target of 50 percent). The Palestinian Employment Fund (PEF) survey results show a satisfaction rate of 81 percent.
7. **Component 3: Capacity Building, Project Management, Monitoring, and Evaluation (US\$1.05 million).** The Ministry of Finance (MoF) successfully accelerated project performance and ensured coordination of all technical entities, including the Ministry of Social Development (MoSD), the Ministry of Labor (MoL) and the Palestinian Employment Fund (PEF).
8. **Component 4: Contingent Emergency Response Component (CERC) (US\$1.64 million).** This component was activated on May 26, 2021, following a request from the PA to respond to the economic impacts of the surge in COVID-19 cases in Gaza during 2021. It reached the full 7,600 of targeted households in Gaza.

RATIONALE FOR ADDITIONAL FINANCING AND PROPOSED CHANGES

9. **The proposed second AF responds to the Palestinian Authority's urgent request on October 18, 2023, for international assistance to meet the humanitarian needs of people in Gaza.** With poverty already estimated at 59.3 percent in Gaza³ The ongoing conflict has a drastic impact on the ability of Gaza's population to meet their daily needs and it is critical to protect people's food security. There are currently no mechanisms for commercial goods to enter Gaza and humanitarian shipments entering Gaza from Egypt have also decreased from roughly 500 trucks per day pre-conflict to an average 43 trucks per day prior to the current truce. Domestic bread production is also challenging with only 9 bakeries in the south sufficiently intact to provide bread to shelters though entirely dependent on the availability of flour and fuel. As a result, food prices in Gaza have increased by at least 10 percent since the conflict, with fresh vegetable and fresh fruit prices increasing by 32 percent and 27 percent, respectively, and people queue in line for long hours in front of bakeries. In addition, Gazans only have access to 8 percent of the pre-conflict volume of potable water.⁴
10. **The second AF will directly support the food security of vulnerable individuals in Gaza affected by the conflict.** The project will finance emergency in-kind and/or cash support to vulnerable Gazans through

³ European Union (EU), United Nations (UN), World Bank (June 2021), Gaza Rapid Damage Needs Assessment

⁴ UN OCHA 2023a. Flash Updates 30 and 37.

the WFP. The second AF will target an estimated 377,000 individuals in Gaza. In doing so, it responds not only to the October 18 appeal from the PA but also the PA’s National Development Plan 2021-2023, which calls for the protection of the most vulnerable.

11. **The second AF is aligned with the strategic objectives of the World Bank in WB&G and to preserve human capital and development gains in the face of conflict.** It contributes to the World Bank’s FY21-25 Assistance Strategy for WB&G, specifically Objective No. 1.4 Strengthen Social Protection Systems to address Multi-dimensional Poverty.⁵ In addition, it follows the World Bank Strategy for Fragility, Conflict and Violence (2020-2025) to remain engaged during conflict and crisis situations to preserve hard-won development gains, protect essential institutions, build resilience, and be ready for future recovery.
12. **The second AF also reflects the World Bank’s corporate commitments, including citizen engagement, climate, and gender considerations and is also Paris-Aligned.** On citizen engagement, the parent project has effective dissemination, grievance, and feedback mechanisms and the second AF adopts conflict-appropriate mechanisms for beneficiary feedback. On climate, the parent project and second AF are consistent with the 2021 updated Palestinian Nationally Determined Contributions (NDC), which state the key climate goal of reducing climate vulnerabilities and include food, health, and water among the priority and vulnerable sectors. In particular, the second AF actively contributes to the food security of people in Gaza. On gender, the project contributes to the World Bank Gender Strategy (FY16-23) with specific attention to women’s access to emergency cash and in-kind support. The technical appraisal provides further analysis on these three priority areas.

II. DESCRIPTION OF ADDITIONAL FINANCING

SCOPE OF CHANGES

13. **The proposed second AF will finance in-kind and/or cash support to vulnerable populations affected by the conflict in Gaza.** The PDO has been revised to read: *To provide in-kind and/or cash support and short-term employment opportunities to vulnerable populations in the West Bank and Gaza affected by COVID-19 and, in case of an Eligible Crisis or Emergency, respond to it promptly and effectively.* The PDO revision adds in-kind support to reflect the realities of the conflict and the lack of functioning markets in Gaza.
14. **Component 1: Emergency In-kind and/or Cash Support in the West Bank and Gaza** (revised allocation US\$35,604,396). Like the PDO, the title of component 1 is revised to include in-kind support. Specifically, the second AF will scale-up *Sub-component 1.1: Emergency In-kind and/or Cash support to vulnerable population in West Bank and Gaza.* The second AF will finance the scale-up of activities under sub-component 1.1 only.

Table 1: Revised Disbursement Categories (US\$)

Category	Original Grant Amount	Original Grant after Reallocation	First Additional Financing	Second Additional Financing	Total Project Amount after second

⁵ World Bank. 2021. Report No. 156451-GZ.

					AF
Category One – Emergency in-kind and/or cash support (Component 1)	20,000,000	18,362,046	7,242, 350	10,000,000	35,604,396
Category Two – Subgrants for Cash for Work, and Goods, non-consulting services, consulting services, Training and Operating Costs (Components 2 & 3)	10,000,000	10,000,000	2,180, 640	0	12,180, 640
Category Three – Emergency Expenditures (Component 4)	0	1,637,954	0	0	1,637,954
Total	30,000,000	30,000,000	9,422,990	10,000,000	49,422,990

Table 2: Summary of new indicators under the second AF

Second AF indicator	End target	End target date
PDO indicators		
Number of standardized individual in-kind packages distributed (new)	377,000 (new)	December 31, 2025
Intermediate indicators		
Number of individual beneficiaries receiving standardized in-kind packages, of which, females (new)	377,000, 50% female (new)	December 31, 2025

IMPLEMENTATION ARRANGEMENTS

15. **The proposed AF will rely on the existing implementation arrangements under the parent project.** The Program Coordination Unit (PCU) at MoF will be responsible for Monitoring and Evaluation (M&E), Environmental and Social Management (ESM), managing the designated account, submitting Withdrawal Applications (WA) to the World Bank, and submitting progress and financial reports. The project coordination function relies on MoF’s proven capacity in managing and implementing World Bank-financed projects.
16. **The MoF will contract WFP for delivery of in-kind and/or cash support under sub-component 1.1.** The contract will adopt the “Standard Form of Agreement for Use by World Bank Borrowers – Delivery of Outputs by WFP under Bank-Financed Projects”. The contract between MoF and WFP under this second AF will finance a portion of WFP’s emergency food security support efforts in Gaza, delivered consistent with the broader WFP emergency response systems and framework, as well as in compliance with the social, environment and fiduciary risk management requirements of the contract and this project. The MoF/WFP contract will be a condition for effectiveness.
17. **The selection of WFP as emergency response delivery partner is justified given WFP’s capacity for delivery of a large-scale humanitarian food security effort in West Bank and Gaza.** In December 2023, WFP plans to target support for 975,000 Gazans. It is capable to provide this large-scale support because of its constant acquisition of food inputs backed by a global logistics mechanism and storage facilities. Between October 21 and November 11, 2023, 905 trucks entered Gaza. Out of these, WFP operated 72,

the third largest provider after the Egyptian Red Crescent and UNRWA. However, as detailed in the risk section below, despite WFP’s capacity, the limitations of getting food supplies into Gaza through the Rafah crossing, as well as transporting them within Gaza given limited fuel supplies, are challenges that the international community must recognize and work to ease.

18. **The selection of beneficiaries will follow WFP targeting systems in a manner appropriate to the current context in Gaza.** The conditions of the conflict are radically changing social protection and food security needs. As commercial food supplies dwindle and nearly all people now depend on humanitarian assistance, avoiding duplication of benefits to a single household becomes relatively more important than inclusion/exclusion errors given the universality of needs. WFP will use two systems for targeting that are tailored to the challenge of delivering aid in a conflict setting. First, in collaboration with MoSD, UNRWA, and other humanitarian agencies, WFP builds on the national Social Registry (SR) to compile a verified beneficiary list. Individuals identified through this list will receive a SMS with details on when and where to collect their in-kind support package. However, due to the sharp increase in needs driven by the conflict, the current list falls short of covering the total number of people that WFP aims to assist in Gaza in December 2023. Therefore, WFP will also target displaced Gazans currently at UNRWA shelters up to reach their target of supporting 975,000 needful Gazans. This approach prioritizes the urgency of aid delivery while ensuring equitable coverage of limited resources. The targeting methodology will be finalized in the updated Project Operational Manual (POM) as detailed below.
19. **Given the current realities in Gaza and timeline for disbursement of the second AF, sub-component 1.1 will finance provision of WFP’s in-kind standardized food packages.** In December 2023 and January 2024, WFP foresees distribution of standardized in-kind food packages. The composition of food packages aims to optimize food and nutrition security and reflect the lack of access to operational cooking facilities. As of preparation of the second AF, the composition of the food package is as follows.

Table 3: Detailed nutritional value of WFP standardized in-kind food package, Gaza, November 2023

Commodity type	g/person/day	ENERGY	PROTEIN	FAT	Description
		Kcal	g	g	
Canned Chickpeas whole mature grain/Chickpea Paste Hummus)	53.33	120.3	3.6	9.6	10 cans x 400 gr
Canned White/Red kidney Beans	37.33	199.8	14.2	0.5	7 cans x 400 gr
Canned Meat/Chicken (halal)	46.93	132.0	12.6	9.0	11 cans x 320 gr
Canned Vegetables	58.67	238.7	17.2	0.8	11 cans x 400 gr
Toasted bread/date bars/ HEB	100.00	450.0	12.0	15.0	75 units x 80 gr
Halawa	20.00	130.2	3.1	6.4	50 units x 30 gr
Total		1271.0	53.1	28.2	
% of requirements supplied by ration		61%			

20. **At present, WFP’s other food security support mechanism in Gaza, the Cash-Based Transfer (CBT) voucher program, is inoperable due to the conditions there.** The CBT provides vouchers of US\$12.4 equivalent purchasing power to eligible beneficiaries available through over 100 WFP-affiliated food

stores. Given that these stores cannot stock basic goods, WFP will temporarily discontinue the CBT as early as November 2023. The network of WFP affiliated stores will become distribution points for the standardized food packages. The emergency response using the funds from this 2nd Additional Financing should be utilized as soon as possible, i.e. in December 2023 or January 2024, therefore the CBT is not the appropriate emergency response mechanism at this stage.

21. **Purchase and transportation of food account for 82.8 percent of the US\$10 million of the second AF.** Direct acquisition of the standard in-kind food packages will account for 74.6 percent of the financing and transportation for another 8.3 percent. The other costs are: “Implementation Costs” for WFP program implementation for the delivery of the benefits funded by the second AF; “Direct Support Costs” for administrative and management costs of WFP country operations in general; “Indirect Support Costs” for the recovery of the cost of global WFP administrative and management functions. The Direct Support Cost category represents a cost-sharing arrangement across all country specific funding sources sustain WFP country operations. The three cost categories are consistent with the Annex 5 of Standard Form of Agreement for Use by World Bank Borrowers - Delivery of Outputs by WFP under Bank-Financed Projects.

Table 4: Estimated budget breakdown of WFP contract under sub-component 1.1

	US\$ Total	% of Budget
Acquisition of in-kind food packages	US\$ 7,455,823	74.6%
Transport of food supplies	US\$ 828,425	8.3%
Implementation Costs	US\$ 637,887	6.4%
Direct Support Costs	US\$ 693,250	6.4%
Indirect Support Costs	US\$ 384,615	3.8%
Budget Total	US\$10,000,000	100%

22. **While second AF will finance in-kind support, the project may fund the CBT project as and when further financing becomes available and market conditions improve.** Distribution of the in-kind transfers under the second AF is expected in December 2023 and January 2024. Over this timeline, the optimal delivery method is standardized in-kind food packages. However, as the conditions in Gaza may evolve, and if market conditions normalize, direct cash transfers or financing the CBT food voucher program could become viable again. This project could absorb funds through its CERC as they may become available; therefore, delivery of social protection benefits in these alternate delivery methods should be kept possible in line with conditions at the time of CERC activation.
23. **MoF will leverage WFP monitoring capacities in line with the contractual arrangements between MoF and WFP and the revised POM.** As a result of the conflict, WFP cannot currently use its own monitoring systems in Gaza and, in October 2023, contracted a private Third-Party Monitoring Agent (TPMA), Arab World for Research and Development (AWRAD), to support its operations. The TPMA provides real-time input to WFP for adaptive program management and issues weekly monitoring reports. The TPMA reports also address beneficiary feedback, which serves as a citizens’ engagement tool appropriate under conflict conditions. WFP will share the weekly, later biweekly, TPMA reports with MoF in a version that removes internal WFP corporate information from the initial AWARD submission.
24. **For due diligence purposes, the contract between MoF and WFP will rely on the POM approved by the World Bank,** containing detailed procedures for implementing the project, including any pre-requisites



for the provision of transfers, selection, and registration of beneficiaries, particularly those at the UNRWA facilities, payment procedures and number of transfers, measures to minimize risks in the storage and potential leakages of in-kind transfers, and verification mechanisms. The POM will be revised and cleared by the World Bank within 30 days of effectiveness to reflect the WFP systems appropriate to the conflict situation and the responsibilities of the PCU for oversight of the WFP contract to ensure compliance with fiduciary controls and reporting on monitoring and evaluation.

PROJECT CLOSING DATE

25. **The project closing date will be extended by 2 years from December 31, 2023, to December 31, 2025.** While the in-kind support activities are planned for December 2023 and January 2024, the project closing date extension is driven by the usefulness of having an emergency social protection project available to respond to emerging needs as the crisis develops.

III. KEY RISKS

26. **Given the ongoing conflict in Gaza, the overall risk to achievement of the project's objective is High.** The political and governance risks, macroeconomic risk, institutional capacity risk and other risk are High, while the remaining risks are Substantial.
27. **Political and governance risks are High.** The political uncertainty in WB&G poses significant risks to project implementation. The PA's fiscal constraints are expected to worsen because of the conflict. To help mitigate these risks, the PA will contract the WFP for implementation. MoF will manage key governance functions related to the project, including contract management, performance management, monitoring, and evaluation, and has delivered satisfactory results under the parent project to date. The political and security governance issues of control of entry of humanitarian shipments at the Rafah border and low entry of humanitarian aid, including WFP food supplies, could undermine the second AF.
28. **Macroeconomic risk is High.** Macroeconomic outlook suffers given the reliance on international aid due to the large fiscal deficit that is mostly financed through donor grants. The ongoing conflict is expected to further exacerbate the already strained economy and is likely to impact the provision of national social protection safety nets. The macroeconomic situation also limits the PA from contributing to humanitarian aid efforts in Gaza. Nevertheless, the World Bank will remain engaged in the sector and will continue to leverage donor resources to support the most vulnerable.
29. **Institutional capacity for implementation and sustainability risk is High.** The PA's implementation capability in Gaza was already lower than in the West Bank prior to the current conflict and now the PA must rely on humanitarian agencies for implementation in Gaza. The global performance of WFP in conflict settings is well-demonstrated, and in this context, WFP is the leading Humanitarian Logistics Cluster. WFP remains the most capable partner available to deliver critical food support. Since the start of the conflict, WFP has managed to deliver food packages to around 630,000 individuals. Nevertheless, WFP's capability to operate in Gaza is vulnerable to the politics of border crossing management and the entry and movement of food and other humanitarian supplies into Gaza remains a risk. There are ongoing high-level discussions to increase the number of trucks coming through the Rafah crossing and to consider

other routes like Jordan or seaports. WFP could reroute their shipment modalities in line with the progress made on border crossings' discussions.

30. **“Other” risk is rated High given the ongoing conflict.** The High rating for other risks acknowledges the inherent complexity and the unknown trajectory of the ongoing high intensity conflict. It also factors in the indirect risks associated with systems collapsing and which may limit the functioning of the proposed implementation arrangements in a manner that is not accounted for under the established risk categories above. One such example is the recent one-day suspension of the receipt of humanitarian shipments at UNRWA’s first-stage storage facility in Gaza, due to a lack of fuel.
31. **The mitigated risk rating for financial management (FM) and procurement risk are Substantial.** MoF has extensive experience working with World Bank projects and is currently implementing the parent project and the first AF, working very closely with MoSD, MoL, and PEF. The FM risk initially assessed as High will be mitigated to Substantial through the project-specific mitigating measures and adequate financial management arrangements replicated from the parent project and first AF, in addition to the controls and mitigation measure implemented under the WFP contract. The latest FM supervision mission rated FM performance as Satisfactory.
32. **The Environmental and Social (E&S) risk rating is Substantial.** The environmental risks are assessed as low as the project will neither procure equipment, nor support rehabilitation or construction activities or civil works, and therefore, will not result in any negative environmental risks or impacts. There are no activities with a physical footprint identified, nor are there activities that could lead to specific actions that could have associated environmental impacts. Social risks are assessed as substantial largely given potential inequitable access to project benefits, particularly among marginalized groups like women, the elderly, and people with disabilities. The environmental risks are Low as the project will not procure equipment, support rehabilitation, or construction activities or civil works. There are no activities with a physical footprint identified or that could lead to specific actions with associated environmental impacts.

IV. APPRAISAL SUMMARY

ECONOMIC AND FINANCIAL ANALYSIS

34. **The prevention of irreversible loss of human capital redoubles the humanitarian imperative to help conflict-affected Gazans meet their basic food security needs.** Food insecurity and the related loss of human capital is not an issue of affordability in the current conflict, but one of lack of access without the inflow of commercial food supply. There is no viable alternative to providing food through humanitarian channels to avert irreversible losses of human capital due to severe food insecurity.
35. **The current conflict comes at a time when more than one quarter of Palestinians and two-thirds of Gazans are living in poverty.** In 2021, the most recent data available, the estimated poverty rate was 27.3 percent, roughly 1.5 million people, in WB&G. This overall rate masks a wide regional divergence: with poverty in Gaza estimated at 65 percent. The national CTP reached about 115,000 extreme-poor and vulnerable households, about half of the poor population, with quarterly payments equivalent to the



poverty gap (i.e., the difference between the estimated household welfare and the deep-poverty line). Even before the current conflict, systemic shortfalls in CTP payments raised concerns around the scalability, reliability, and sustainability of the program, which is largely dependent on external funding.

36. **Particularly against this scale and urgency of needs, the proposed intervention to alleviate food insecurity is cost efficient.** The second AF provides 61 percent of the monthly caloric needs of targeted vulnerable Gazans at a cost of US\$26.5 per person, including all direct and indirect implementation costs applicable under the challenging implementation environment of the ongoing conflict.

TECHNICAL

37. **The ongoing conflict in Gaza has caused a humanitarian emergency of an enormous scale and the second AF design support the emergency response to reach vulnerable Gazans.** The current conflict necessitates the adoption of a humanitarian-type response to meet the urgent social protection needs in Gaza. The developmental argument for human capital preservation justifies the use of development resources and there is no technical or institutional alternative currently available.
38. **Against this reality, MoF will contract WFP to deliver urgent support to vulnerable people in Gaza.** WFP is uniquely positioned and has the delivery systems necessary to help the MoF reach people in Gaza with urgent in-kind and/or cash support. It has global and regional structures that allow it to provide the food supplies needed for the standardized package described in Table 3 and maintains its own financing facility to acquire and move food items to emergency response locations. Specifically for Gaza, WFP purchases food staples in neighboring countries (Egypt and Jordan in particular) and shifts food stocks from other country operations with currently lower priority needs than the population in Gaza.
39. **WFP has demonstrated its capacity for delivery in Gaza, reaching more than 630,000 individuals with in-kind, voucher or cash transfers since the start of the current conflict.** In addition, WFP is monitoring the availability and prices of food items and other commodities among its network of local shops.⁶

FINANCIAL MANAGEMENT

40. **The FM assessment for the PCU at MoF carried out during the Parent Project and the first AF is adequate for the second AF and evaluation of the PCU found its implementation capacity to be Satisfactory.** The existing FM and disbursement arrangements for the parent project and first AF will be duplicated for the second AF. This second AF will include the following main changes: (i) a new grant to finance one new sub-component 1.1 – “Emergency Cash or in-kind Transfers to Households Vulnerable to poverty” in Gaza in the amount of US\$10 million, this sub-component is proposed to be delivered by the WFP as contractor of the MoF, and (ii) the extension of the project closing date from December 31, 2023, to December 31, 2025. There are no changes in the other implementation arrangements or disbursement arrangements. The PCU at MoF will maintain responsibility for project implementation, financial recording, the preparation of semi-annual Interim Financial Reports (IFR), and the preparation and release of annual audited financial statements to ensure thorough monitoring of financial arrangements.

⁶ WFP: *State of Palestine Emergency* (<https://www.wfp.org/emergencies/palestine-emergency>)



41. **Under subcomponent 1.1, the PCU at MoF will sign a new contract with WFP for US\$10 million, which will govern every aspect of execution delivery, including FM arrangements.** The contract provisions related to financial management will be derived from the Financial Management Framework Agreement (FMFA) and the Fiduciary Principles Accord between the UN agencies (including WFP) and the World Bank. The contract should include the following recommendations and arrangements.
 - a. WFP should maintain separate ledger accounts (Grant Control Account) for the project to adequately reflect the contract transactions and activities and ensure that original supporting documents of expenditures are retained in accordance with the FMFA.
 - b. The amount transferred to WFP under the contract will be recorded as an advance by the PCU at MoF. WFP needs to prepare quarterly reconciliations in accordance with acceptable accounting standards established pursuant to the FMFA and in the format agreed with the World Bank and PCU at MoF, adequate to reflect the expenditures related to the contract. The reconciliations should be provided to MoF within 20 days after the end of the period.
 - c. The PCU at MoF should review the quarterly reconciliations submitted by WFP, specifically when preparing the semi-annual IFR and the annual audited financial statements of the project.
 - d. As part of the annual audit of the project financial statements, the assigned audit firm should arrange with the PCU at MoF and WFP to test transactions recorded under the WFP contract during the year. The World Bank also should have the option to review those testing procedures and supporting documents if deemed necessary.
 - e. Upon completion of the contract, WFP will upload the final financial report through the Client Connection system for the Bank to reconcile the accounts and close the contract Commitments not later than three months after the Completion Date.
42. **Fiduciary reporting requirements will be replicated from the parent project and the first AF.** PCU at MoF will ensure that an adequate computerized financial system is in place and employs qualified financial staff, including Finance Manager. Semi-annual IFR will continue to be submitted in excel sheet on a timely manner, within 45 days of the end of each period. The second AF will agree on the IFR reporting format with WFP in Annex to the Standard Form Agreement. The financial statements of the project, including the second AF, will continue to be audited by a qualified and reputable private audit firm registered with the Palestinian Association of Certified Public Accountants (PACPA). There are no overdue audits for the parent project or first AF. The audit period will be extended to cover the new closing date of the Project which is December 31, 2025.
43. **The second AF will also continue utilizing the same disbursement arrangements and guidelines as stipulated in the parent project and the first AF Disbursement and Financial Information Letter (DFIL),** in accordance with the World Bank's disbursements guidelines. The second AF will continue using "Reporting-Based Disbursement" with semiannual IFR that include cash forecasts covering two quarters. The second AF will also continue utilizing the existing US Dollar Designated Accounts (DAs) opened at Bank of Palestine. Other disbursement arrangements including using proper WA and E-disbursement will be replicated from the Parent project and the first AF. The project POM will be updated to include changes made to the FM section.
44. **Retroactive Financing.** In accordance with paragraph 12 of Section III of Bank's OP 10 on IPF, payments made prior to the date of the signed Grant Agreement, except withdrawals up to an aggregate amount not to exceed USD4,000,000 may be made from October 7, 2023, for Eligible Expenditures under Category

(4) of the Project. Activities covered retroactive financing will undergo fiduciary and environmental and social due diligence.

45. Any other Financial Management and Disbursement arrangements will be the same as the arrangement applicable under the parent project and the first AF.

PROCUREMENT

46. **Procurement for the second AF will follow the same arrangements as the parent project and first AF.** Procurement will be carried out in accordance with the World Bank's Procurement Regulations for Investment Project Financing (IPF) Borrowers, dated September 2023. The "Guidelines on Preventing and Combating Fraud and Corruption in projects Financed by IBRD loans and IDA Credits and Grants" dated October 15, 2006, and revised in January 2011, and as of July 1, 2016, shall apply to the project. The Procurement in Situations of Urgent need of Assistance or Capacity Constraints described under paragraph 12 of Section III of the IPF Policy is also applicable. MoF will continue to hold overall responsibility for procurement and contract management under the project through the PCU.
47. **The second AF will only finance emergency cash or in-kind food support to vulnerable Gazans under subcomponent 1.1.** WFP will be selected directly to implement this intervention in accordance with clauses 6.47 and 6.48 to the World Bank's Procurement Regulations. The direct selection of WFP was agreed with the World Bank as WFP is the leading UN agency in Gaza for delivery of emergency social protection interventions during this ongoing conflict.
48. **The MoF will use the Delivery of Outputs Standard Form of Agreement (SFA) negotiated between the World Bank and WFP on the corporate level for its contract with WFP.** This SFA was designed to support the implementation of borrower-implemented activities providing a range of inputs that will include food parcels and cash transfer. The agreement to be signed between MOF and WFP will be subject to World Bank prior review as the envisaged value is above the prior review threshold specified for projects with a Substantial-risk rating.
49. **The PCU at MOF has a qualified procurement specialist who has the procurement capacity required for preparing the contract with WFP with World Bank support.** The procurement risk for the parent project is Low and will be upgraded to Substantial for this AF due to the current security situation in Gaza and the complex mechanism for entering the food parcels through Rafah crossing. The MoF, with World Bank support, will supervise the implementation of the agreement to be signed between MoF and WFP, and will maintain regular contact between the World Bank, MoF, and WFP during the implementation phase to review the status of activities.
50. MoF will update the Project Procurement Strategy for Development and the Procurement Plan to include the delivery of outputs agreement with WFP during the early stages of the implementation of the second AF due to the emergency nature of the AF.

LEGAL OPERATIONAL POLICIES

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

ENVIRONMENTAL AND SOCIAL

- 51. **The overall AFII environmental and social (E&S) risk is substantial**, as detailed in the Key Risks section.
- 52. **The Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) risk rating is Substantial**. The risk rating is assessed based on the World Bank’s SEA/SH risk screening tool for the social protection sector, preliminary UN reports on current incidence of GBV, information received during meetings and consultations with stakeholders (including women’s groups), and review of available secondary data.
- 53. **The E&S risks and impacts will be assessed, and requisite mitigation measures included in the project’s E&S instruments**. The World Bank updated the parent project Stakeholder Engagement Plan (SEP) and Environmental and Social Commitment Plan (ESCP) to address the risks associated with AFII. Consultations were held with available stakeholders, including women’s groups, and further consultation will be held in Gaza as soon as the situation allows. The updated ESCP and SEP will be reviewed and cleared by the Bank and disclosed in-country (on the WFP and MoF websites) and on the Bank system by project appraisal. Disclosure at the local level in Gaza will also be ensured once the situation allows.
- 54. **The Environmental and Social Management Framework (ESMF) and the Labor Management Procedures (LMP) of the parent project will be updated to proportionally address the E&S risks and impacts of the second AF activities**. The updated LMP and ESMF will be reviewed, cleared by the World Bank and disclosed in the in-country and on the Bank system within one month of the second AF Effectiveness Date. The MoF will continue to implement the project in compliance with the ESMF and the contract between MoF and the WFP will comply with the Bank’s ESMF.
- 55. **WFP has regional Environmental, Social, Health and Safety (ESHS) specialists who will support the second AF implementation**. WFP will also assign ESHS Specialist in Gaza once the situation allows. The Environmental and Social Officer (ESO) at MoF will provide support for reporting and other E&S requirements as outlined in the ESCP. Finally, considering the unprecedented crisis in Gaza, the Bank’s in country E&S team will also provide ‘Environmental and Social Hands-on Expanded Implementation Support’ (HEIS), in accordance with the World Bank October 2023 Directive/Procedure for Investment Project Financing, and capacity building sessions for the project’s E&S personnel to make ESF implementation effective and efficient.

GENDER

56. **The escalating crisis and mass displacement has led to specific and extreme challenges for women in Gaza.** Prior to the conflict, women in Gaza faced disproportionately high unemployment rates and multifold challenges with limited access to economic opportunities. The deteriorating conditions now compromise women’s role as primary caretakers. Almost everyone has decreased the number of meals per day for themselves and their families from three to one.⁷ Additionally, anemia is especially prevalent among pregnant and lactating women, as well as children, who face a high risk of malnutrition. Lack of privacy due to cramped living conditions coupled with vast infrastructure damage has further constrained women’s mobility and increased their safety concerns including gender-based violence.
57. **The provision of in-kind and/or cash support through the second AF will help offset the specific challenges faced by women in Gaza.** WFP will target 50 percent of female beneficiaries receiving in-kind food support. This will help meet the caloric needs, optimized for protein and fat content, of themselves and their families. WFP also operates separate lines for men and women at its distribution points.

CITIZEN ENGAGEMENT

58. **The operation mainstreams citizens engagement in ways feasible during an ongoing conflict.** Prior to October 7, 2023, WFP regularly conducted ‘best citizen engagement practice’ Post Benefit Distribution (PBD) surveys. PBD surveys are no longer feasible in Gaza, but the reporting of WFP’s new TPMA in Gaza incorporates beneficiary feedback to support the adaptive management of the program. WFP will send the weekly TPMA reports to MoF, thus allowing the IA to internalize feedback from beneficiaries. Furthermore, other than two occasions during the current conflict, WFP has maintained SMS text message communication with beneficiaries. At present, WFP uses these communications send relevant operational information, e.g. in-kind food distribution locations and times, but developing two-way communication for more real-time beneficiary feedback could be built-up going forward.

CLIMATE CHANGE

59. **The second AF is aligned with the goals of the Paris Agreement.** The second AF will be implemented in an emergency context and current Project activities will not cause any increase in Greenhouse Gas (GHG) emissions or create any persistent barriers to transition to low-GHG emissions over existing levels and are considered Universally Aligned from a mitigation perspective (UAL #40 – Activities associated with emergency preparedness and immediate response in the aftermath of a crisis or disaster, that are temporary and timebound). Furthermore, WFP aims to source food items from local or nearby country markets, shortening the supply chains to help minimize transportation-related carbon emissions. The second AF also directly contribute to food security in Gaza, a stated adaptation goal in the Palestinian NDCs. Given the above, as well as the short lifespan of the activities, the climate risk of the project is low.

V. WORLD BANK GRIEVANCE REDRESS

⁷ UNRWA Rapid Gender Assessment 2023.



60. **Grievance Redress.** Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank'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 Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's GRS, please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's AM, please visit <https://accountability.worldbank.org>.

VI SUMMARY TABLE OF CHANGES

	Changed	Not Changed
Project's Development Objectives	✓	
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Legal Covenants	✓	
Implementing Agency		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Other Change(s)		✓

VII DETAILED CHANGE(S)

PROJECT DEVELOPMENT OBJECTIVE

Current PDO

To provide cash support and short-term employment opportunities to vulnerable populations in West Bank and Gaza affected by emergency shocks including COVID-19 and in case of an eligible crisis or emergency, respond to it promptly and effectively.

Proposed New PDO

To provide cash and/or in-kind emergency support and short-term employment opportunities to vulnerable populations in West Bank and Gaza affected by emergency shocks including COVID-19 and in case of an eligible



crisis or emergency, respond to it promptly and effectively.

COMPONENTS

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Emergency Cash Transfers in West Bank and Gaza	25.60	Revised	Emergency context appropriate in-kind or cash support to war-affected households in West Bank and Gaza	35.60
Cash for Work in the West Bank (C4W)	11.13	No Change	Cash for Work in the West Bank (C4W)	11.13
Capacity Building, Project Management, Monitoring and Evaluation	1.05	No Change	Capacity Building, Project Management, Monitoring and Evaluation	1.05
Contingent Emergency Response Component (CERC)	1.64		Contingent Emergency Response Component (CERC)	1.64
TOTAL	39.42			49.42

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
TF-B3131	Effective	31-Dec-2023	31-Dec-2023	31-Dec-2025	30-Apr-2026
TF-B7880	Effective	31-Dec-2023	31-Dec-2023	31-Dec-2023	30-Apr-2024
TF-B8270	Closed	30-Jun-2023	30-Jun-2023	30-Jun-2023	30-Oct-2023

Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2021	459,180.00	459,180.00
2022	890,710.00	1,349,890.00
2023	1,697,170.00	3,047,060.00
2024	2,953,980.00	6,001,040.00



2025	3,548,030.00	9,549,070.00
------	--------------	--------------

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● Substantial	● High
Macroeconomic	● Substantial	● High
Sector Strategies and Policies	● Moderate	● Substantial
Technical Design of Project or Program	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● High
Fiduciary	● Substantial	● Substantial
Environment and Social	● Substantial	● Substantial
Stakeholders	● Moderate	● Moderate
Other		● High
Overall	● Substantial	● High

LEGAL COVENANTS – West Bank Emergency Social Protection COVID-19 Response Project (P174078)

Loan/Credit/TF	Description	Status	Action
-	Article IV, 4.02: Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.	Complied with	No Change
-	Article IV, 4.03: This Agreement and all obligations of the parties under it shall	Complied with	No Change



	<p>terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.</p>		
-	<p>Section I.A.2 of Schedule 2: For the purposes of implementing Parts 1 and 2 of the Project, the Recipient, through the Palestinian Authority, not later than 30 days after the Effective Date, shall enter into memoranda of understanding with MoL, PFESP, and MOSD (“MoUs”), under terms and conditions acceptable to the Bank, setting forth the collaboration arrangements for the management and implementation of Parts 1a and 2 of the Project</p>	Complied with	No Change
-	<p>Section I.D.1 of Schedule 2: Not later than 30 days after the Effective Date, the Recipient shall prepare and thereafter carry out the Project in accordance with the Project operations manual and shall cause Participating NGOs to adopt said manual (“Project Operations Manual” or “POM”), setting forth rules, methods, guidelines, and procedures for the carrying out of the Project</p>	Complied with	No Change
-	<p>Schedule 2, D.1 The Recipient, through the Palestinian Authority, shall, not later than 30 days after the Effective Date, amend the Project Operations Manual, setting forth rules, methods, guidelines, and procedures for the carrying out of the Project</p>	Not yet due	New

LEGAL COVENANTS – West Bank and Gaza Emergency Social Protection and Jobs COVID-19 Response Project Second Additional Financing (P181573)

Sections and Description

The Recipient, through the Palestinian Authority, shall, not later than 30 days after the Effective Date, amend the Project Operations Manual, setting forth rules, methods, guidelines, and procedures for the carrying out of the



Project		
Conditions		
Type Effectiveness	Financing source Trust Funds	Description (a) The execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary governmental and corporate action; and
Type Effectiveness	Financing source Trust Funds	Description (b) The WFP Agreement referred to in Section I.A. 3 of Schedule 2 to this Agreement has been executed on behalf of the Recipient and the WFP.



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: West Bank and Gaza

West Bank and Gaza Emergency Social Protection and Jobs COVID-19 Response Project Second Additional Financing

Project Development Objective(s)

To provide cash and/or in-kind emergency support and short-term employment opportunities to vulnerable populations in West Bank and Gaza affected by emergency shocks including COVID-19 and in case of an eligible crisis or emergency, respond to it promptly and effectively.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
Provide in-kind and/or cash support & short-term employment opportunities to vulnerable populations (Action: This Objective has been Revised)			
Number of households receiving cash support (Number)		0.00	106,752.00
Action: This indicator has been Revised			
Number of individual beneficiaries (Number)		0.00	533,760.00
Action: This indicator has been Revised			
Of which female (Percentage)		0.00	50.00



Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator has been Revised</i>			
of which in the West Bank (Number)		0.00	62,123.00
<i>Action: This indicator has been Revised</i>			
Of which in Gaza (Number)		0.00	44,629.00
<i>Action: This indicator has been Revised</i>			
Number of standardized individual in-kind food packages distributed (Number)		0.00	377,000.00
<i>Action: This indicator is New</i>			
Number of vulnerable populations receiving cash for work from the project (Number)		0.00	3,940.00
<i>Action: This indicator has been Revised</i>			
Of which, female (Percentage)		0.00	50.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
Emergency in-kind and/or cash transfers to vulnerable populations in West Bank and Gaza (Action: This Component has been Revised)			



Indicator Name	PBC	Baseline	End Target
Component 1.1. Number of newly enrolled households receiving emergency cash transfer (Number)		0.00	77,715.00
<i>Action: This indicator has been Revised</i>			
of which in the West Bank (Number)		0.00	42,470.00
<i>Action: This indicator has been Revised</i>			
of which in Gaza (Number)		0.00	35,245.00
<i>Action: This indicator has been Revised</i>			
Number of members from newly enrolled households benefiting from cash transfers (Number)		0.00	388,575.00
<i>Action: This indicator has been Revised</i>			
Of which, females (Percentage)		0.00	50.00
<i>Action: This indicator has been Revised</i>			
Component 1.2.: Number of CTP beneficiary households receiving cash support (Number)		0.00	29,037.00
<i>Action: This indicator has been Revised</i>			
Number of individual beneficiaries (Number)		0.00	145,184.00
<i>Action: This indicator has been Revised</i>			
Of which, females (Percentage)		0.00	50.00



Indicator Name	PBC	Baseline	End Target
Of which in the West Bank (Number)		0.00	19,653.00
<i>Action: This indicator has been Revised</i>			
Of which in Gaza (Number)		0.00	9,384.00
<i>Action: This indicator has been Revised</i>			
Percentage of complaints, and inquiries addressed within the 30 day time frame publicly communicated by the project (Percentage) (Percentage)		0.00	80.00
<i>Action: This indicator has been Revised</i>			
Number of beneficiaries receiving standardized in-kind food packages (Number)		0.00	377,000.00
<i>Action: This indicator is New</i>			
Of which, females (Percentage)		0.00	50.00
<i>Action: This indicator is New</i>			
Cash for Work in the West Bank			
Number of beneficiaries receiving cash for work from the project (Number)		0.00	3,940.00
<i>Action: This indicator has been Revised</i>			
of which female (Percentage)		0.00	50.00



Indicator Name	PBC	Baseline	End Target
Number of members of households where beneficiaries receive C4W (Number)		0.00	19,700.00
<i>Action: This indicator has been Revised</i>			
Percentage of female beneficiaries (Percentage)		0.00	50.00
From the CTP households or on the CTP waiting list (Percentage)		0.00	20.00
<i>Action: This indicator has been Revised</i>			
Number of vulnerable people directly benefiting from health and social services provided through C4W sub-projects (Number)		0.00	66,954.00
<i>Action: This indicator has been Revised</i>			
Of which, females (Percentage)		0.00	25.00
Of which, children (Percentage)		0.00	25.00
Of which, disabled (Percentage)		0.00	10.00
Percentage of claims and grievances processed and resolved within 30 days (Percentage) (Percentage)		0.00	80.00
<i>Action: This indicator has been Revised</i>			
Capacity Building Project Management, Monitoring and Evaluation			
Number of PFESP, MoL and MoSD staff benefiting from training and capacity building activities (Number)		0.00	35.00
<i>Action: This indicator has been Revised</i>			



Indicator Name	PBC	Baseline	End Target
Beneficiary households receiving digital payment (Percentage)		0.00	5.00
<i>Action: This indicator has been Revised</i>			
Beneficiaries who expressed satisfaction with the project intervention (Percentage)		0.00	80.00
<i>Action: This indicator has been Revised</i>			
Female beneficiaries who expressed satisfaction with the project intervention (Percentage)		0.00	80.00
Beneficiaries who expressed satisfaction with delivery and communication of the project intervention (Percentage)		0.00	80.00
<i>Action: This indicator has been Revised</i>			
Female beneficiaries who expressed satisfaction with delivery and communication of the project intervention (Percentage)		0.00	80.00
Beneficiary households that are aware of women and family protection services available to them (Percentage)		0.00	70.00
High frequency crisis monitoring survey is implemented (Number)		0.00	1.00
<i>Action: This indicator has been Revised</i>			
Percentage of grievances, complaints and inquiries addressed within the timeframe outlined in the project operations manual (Percentage)		0.00	80.00
<i>Action: This indicator has been Revised</i>			
Contingent Emergency Response Component			



Indicator Name	PBC	Baseline	End Target
Number of poor households in Gaza benefiting from one-time emergency payments as a result of COVID-19 (Number)		0.00	7,600.00
Action: This indicator has been Revised			

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of households receiving cash support		Quarterly	CTP database; Project MIS	Project MIS; CTP-database; MoSD PCU's quarterly report	MoSD and PCU
Number of individual beneficiaries		Quarterly	MIS; CTP-database	Number of individuals in the targeted households	PCU; MoSD
Of which female		Quarterly	MIS, CTP database	Project MIS, CTP database	PCU in collaboration with MoSD
of which in the West Bank					
Of which in Gaza					
Number of standardized individual in-kind food packages distributed		Quarterly	WFP	Weekly monitoring reports	WFP through a private Third-Party Monitoring Agent (TPMA)
Number of vulnerable populations receiving cash for work from the project		Every six months	Project MIS	PCU; PFESP	PCU



Of which, female		Every six months	PCU, PFESP	PCU's, PFESP's semi-annual report	PCU

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Component 1.1. Number of newly enrolled households receiving emergency cash transfer		Quarterly	MIS; CTP database	Project MIS; CTP database	PCU in collaboration with MoSD- and MoL- implementing entities
of which in the West Bank					
of which in Gaza					
Number of members from newly enrolled households benefiting from cash transfers		Quarterly	MIS, CTP-database	Project MIS, CTP-database	PCU in collaboration with MoSD and MoL
Of which, females					
Component 1.2.: Number of CTP beneficiary households receiving cash support		Quarterly	Project MIS, CTP-database	Project MIS, CTP-database	PCU in collaboration with MoSD
Number of individual beneficiaries		Quarterly	Project MIS, CTP database	Number of individuals in the targeted beneficiary households	PCU, MoSD
Of which, females		Once a year	Project MIS, CTP		PCU, MoSD



Of which in the West Bank					
Of which in Gaza					
Percentage of complaints, and inquiries addressed within the 30 day time frame publicly communicated by the project (Percentage)		Quarterly	PCU/MoSD MIS	Percentage of addressed complaints = number received/number addressed.	PCU in collaboration with MoSD
Number of beneficiaries receiving standardized in-kind food packages					
Of which, females					
Number of beneficiaries receiving cash for work from the project		Every six months	Project MIS	PCU's and PFESP's semi-annual report	PCU in coordination with MoL and PFESP's implementing entities
of which female		Every six months	Project MIS	PCU semi-annual report in coordination with PFESP-reporting	PCU in collaboration with PFESP
Number of members of households where beneficiaries receive C4W		Every six months	Project MIS	PCU's and PFESP's semi-annual reports	PCU in collaboration with MoL and PFESP's implementing entities
Percentage of female beneficiaries					
From the CTP households or on the CTP waiting list		Every six months	Project MIS	PCU's semi-annual report	PCU in collaboration with implementing entities



Number of vulnerable people directly benefiting from health and social services provided through C4W sub-projects		Every six months	Project MIS	PCU's semi-annual report	PCU
Of which, females		Every six months	PCU MIS	PCU's semi-annual report	PCU
Of which, children		Every six months	PCU MIS	PCU's semi-annual report	PCU
Of which, disabled		Every six months	PCU MIS	PCU's semi-annual report	PCU
Percentage of claims and grievances processed and resolved within 30 days (Percentage)		Quarterly	PCU/MoSD MIS	Percentage of addressed complaints= number received/number addressed	PCU in coordination with MoSD
Number of PFESP, MoL and MoSD staff benefiting from training and capacity building activities		Annually	PCU Progress Report	Number of staff received training	PCU
Beneficiary households receiving digital payment		Quarterly	MIS, CTP database	MIS, CTP payment module	PCU, MoSD
Beneficiaries who expressed satisfaction with the project intervention	The findings of the beneficiary surveys will be published and/or the implementing agencies will use the findings of respective surveys to develop and implement time bound action plans that will follow through on	Annually	MIS	Phone surveys	PCU



	beneficiary feedback acquired through the survey findings.				
Female beneficiaries who expressed satisfaction with the project intervention		Annually	MIS	Phone survey	PCU
Beneficiaries who expressed satisfaction with delivery and communication of the project intervention		Every six months	MIS	Phone survey	PCU
Female beneficiaries who expressed satisfaction with delivery and communication of the project intervention		Every six months	MIS	Phone survey	PCU
Beneficiary households that are aware of women and family protection services available to them					
High frequency crisis monitoring survey is implemented		Annually		High frequency phone survey	PCU in collaboration with MosD, MoL, PFESP
Percentage of grievances, complaints and inquiries addressed within the timeframe outlined in the project operations manual (Percentage)		Quarterly	PCU/MoSD MIS	Percentage of addressed complaints = number received/number addressed	PCU in coordination with MoSD
Number of poor households in Gaza benefiting from one-time emergency payments as a result of COVID-19					



