



Ministry of National Economy

ENVIRONMENTAL AND SOCIAL MANAGEMENT MANUAL

ESMM

INNOVATIVE PRIVATE SECTOR DEVELOPMENT PROJECT (IPSD II)

WEST BANK AND GAZA

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1. Introduction and Purpose of the Manual

Innovative Private Sector Development IPSD II project builds on the ongoing IPSD project and aims to improve economic opportunities for individuals and firms in the West Bank and Gaza. IPSD II will be implemented primarily in urban locations across West Bank and Gaza and comprises of the following components:

Component 1: to (i) Improve market linkages to Arab communities in regional entrepreneurship ecosystems; (ii) develop a dynamic startup finance ecosystem; (iii) Implement and further enhance the Automated Business Registry System (ABRS).

Component 2: to build an outsourcing hub in West Bank and Gaza through the support of GGateway – a social enterprise/ impact business that has been supporting software skills development in Gaza over the last five years and has achieved positive results in training and job placement of its graduates.

Component 3: project management and capacity building of the Ministry of National Economy.

For further details please refer to the Project Information Document (PID) publicly available at: <https://documents1.worldbank.org/curated/en/099063023040037822/pdf/P181354025e88c000a1780b07d804a352d.pdf>

This Environmental and Social Management Manual (ESMM) is updated for IPSD II to be consistent with ESF requirements which aims to function as a guide and directives for the environmental and social requirements under the IPSD II. The manual outlines policies and procedures implemented by the project to assess, manage, and monitor anticipated environmental and social impacts of IPSD II investments. It contains a range of suggested measures and plans to reduce, mitigate, and/or offset potential environmental and social risks. The Project Environmental and Social risk rating is Moderate (details is provided in- chapter 5).

The ESMM also includes an exclusion list, E&S screening methodology, simplified review process for project activities, simplified ESMP and simplified E&S risk management measures that can be included in grant agreements (e.g. guidelines for e-waste management, simplified OHS guidelines based on the World Bank General Environmental Social Health and Safety Guidelines (ESHS) and Sector ESHGs, community health and safety and grievance measures, Code of Conduct for workers), and guidelines for an annual E&S evaluation to be conducted by PIA (DAI).

The ESMM also includes a chapter about the labor management procedures (LMP), since there is no stand-alone LMP document for the project, including (but not limited to) identification of project workers, description of labor related risks, and measures to manage labor related risks and issues. These labor management measures will be in accordance with the Palestinian national laws and regulations; meet the requirements of ESS2; and be in accordance with the World Bank Group Environmental, Health and Safety Guidelines (EHSs).

The manual does not include a section about stakeholder management and vulnerable group inclusion, since a standalone stakeholder engagement plan (SEP) was prepared for IPSD II and disclosed on the project website before project appraisal date (<https://www.ipsd.ps/item-1688991239>).

2. Activities' Eligibility under IPSD II project

The Project supports technology-driven, technology-enabled start-ups and/or high growth potential innovative SMEs. SME's and Start-ups can be across sectors, but need to be exclusively tech or tech enabled, except of industrial or manufacturing.

The IPSD II Project doesn't support any industrial related or construction activities, or any other activities that entail pollution generation. With reference to the Environmental Assessment Policy, the technology-driven or technology-enabled, or innovative SME's and Start-ups financed, or co-financed activities shouldn't have potential adverse environmental impacts on human populations or environmentally important areas-including wetlands, forests, grasslands, and other natural habitats. SME's and Start-ups implementing activities that are likely to have moderate, minimal or no adverse environmental impacts will be eligible.

Therefore, the eligible technology-driven or technology-enabled, or innovative SME's and Start-ups applications will be environmentally and socially screened as detailed in section 6.

The following are anticipated eligible activities:

Eligible activities for Subcomponent 1.1: Improving market linkages to Arab communities in regional and international entrepreneurship ecosystems (Nexus)

(a) Initiative 1: Awareness events: This initiative will include awareness and networking events that target potential investors, mentors, entrepreneurs, and accelerators, and support entities at the regional ecosystems.

(b) Initiative 2: Business-to-business networking events: This initiative will facilitate the development of linkage opportunities by organizing networking events between investors and entrepreneurs.

(c) Initiative 3: Market access matching grants: This initiative will support startups and innovative SMEs through matching grants to bridge gaps in accessing new markets and expanding existing ones. Beneficiary firms will receive matching grants to cover the costs of a wide range of market access services (such as promotional activities, investor/supplier visits, acceleration programs, promotional events, capability development activities, and others). Details of the eligible costs under Initiative 3 are listed as the following:

1. Marketing and communication strategies and implementation, including branding and social media/digital strategies,
2. Product and/or service development needed to access a new market,
3. Strategic intellectual property planning and implementation, diversification and product/service innovation and development, and research and development planning and implementation,

4. Identification of new markets, sector analysis and market development, export strategy, including compliance with foreign laws and regulations,
 5. Investor/supplier visits, acceleration programs, and promotional / networking events,
 6. Capacity building (technical assistance) on market linkages relevant activities, including operational and capacity enhancement, product development, marketing and market penetration strategy and implementation,
 7. Consultancy services, including hiring consultants (individuals and firms) in targeted regional and international markets,
 8. Costs of registration in the foreign market, including establishment related costs,
- Eligible activities for Subcomponent 1.2: Developing a dynamic startup finance ecosystem.

- **Initiative 1: Angel group/network building:** This initiative will promote and support (through an assistance package) the development of organized angel investing in the WB&G, targeting the formation and development of two to three active angel groups. Under IPSD, efforts in this area were advanced along two parallel and nonexclusive tracks: a technical assistance and awareness raising track (TA), where a service provider was contracted, and a capacity development grants (CDGs) track, for which the design is being finalized. Angel groups are currently preparing to apply for grant support, and the IPSD II will finance continued TA and CDG for these groups.
- **Initiative 2: Investment readiness advisory services (IRAS):** The project will aim to work with a few intermediaries such as incubators, accelerators, and advisory firms to address entrepreneur investment readiness and investor engagement deficiencies. Under IPSD, partner Entrepreneur Support Organizations (ESOs) received capacity building grants to enhance their ability to support the ecosystem, organize community events, and be part of the investment readiness advisory activities under IGNITE. Given the need to support sustainability of the ecosystem and invest more in the earlier parts of the startup development cycle, the support to ESOs will continue.

The capacity building program for intermediaries could include the following:

- a) Trainings to build intermediary staff capacity in early-stage capital raising strategies
 - b) Technical support to develop curriculum and resources for a training program.
 - c) Ongoing guidance on providing access to finance support services to clients.
 - d) Performance-based funding linked to successful fundraising of clients.
- **Initiative 3: Catalytic funding grants.** Through a facility managed by the PIA, catalytic funding grants will be provided to startups and innovative SMEs that help stimulate private investment by angels and early-stage VCs and encourage investment syndication between seasoned and less experienced investors.

a) Pre-investment grants in the amount up to US\$50,000 per startup, will involve grant funding to enterprises that show business and investment promise but are still not considered “investment ready” by investors. The purpose of the pre-investment (PI) grants will be to (i) bridge the early commercialization funding gap to investment, (ii) provide funding for entrepreneurs to address shortcomings identified by investors or early-stage investment experts, including under the IGNITE

program, and (iii) improve the likelihood that firms can subsequently secure seed stage (angel, e.g.) investment within a short time frame (targeting 6–12 months). The grants will cover the following items.

- **Business development:** Including, but not limited to costs:
 - Associated with building relationships with key suppliers or customers.
 - Hiring of consultants to improve accounting and financial statements, company structure, strategy, etc.
 - Costs associated with hiring attorney(s) to improve legal structure of startup/SME.
- **Sales and marketing activities:** Cost of visibility actions aimed at increasing potential customer base. Such as:
 - Hiring of sales and marketing staff.
 - Promotion efforts within potential markets.
 - Outdoor advertising, print media, electronic media.
- **Product design, development and refinements:** Developing and testing prototypes (i.e., MVP development); purchasing of materials, technology and/or equipment relevant to improving product or service; and/or equipment modernization, product diversification/expansion; product/service innovation and development, and research and development planning, e.g.
- **Quality and environmental systems improvements.**
- **Implementation of IT solutions** (e.g., website, e-commerce and multimedia).
- **IP protection:** Including application for patents, costs related to IP protection process, hiring of consultants and/or legal expertise.
- **Advisory and training services/external consultants.**
- **Organizational development:** including capacity building or technical assistance.
- **Labor costs (salaries) and fees** associated with delivery/on-going execution of core business functions.

b) Co-investment grants aim to help stimulate investment by early-stage private investors, including syndication between seasoned investors and encouraging first-time angel investors. Co-investment (CI) grants will provide supplementary funding to firms that are able to raise investment from approved early-stage private investors. The CI grants will provide additional funding—beyond what investors are willing to make—to help early-stage firms develop and grow. The grants will also help lower the risk perception of investors by better capitalizing the enterprises, thereby providing a longer “runway” to achieve business development milestones that lead to stronger businesses. In addition, CI funding could encourage investors to spread capital across more investments (portfolio strategy), thereby leading to more Palestinian firms receiving the benefits of angel and other investors as partners. The grants will cover the following items:

- **Team/Labor costs (salaries):** associated with delivery and execution of ongoing operations and business functions.

- **Business development:** Including, but not limited to costs:
 - Relevant to expanding customer acquisition and entering new markets, as well as market research and testing.
 - Associated with building relationships with key suppliers or customers.
 - Hiring of consultants/experts to improve accounting and financial statements, company structure, strategy, etc.
- **Sales and marketing activities:** Cost of visibility actions aimed at increasing potential customer base.
- **Product development:** Developing and testing of products, purchasing of materials, technology and/or equipment relevant to improving product or service, product diversification/expansion, product/service innovation and development, and research and development planning. Allowable costs under this category must be in compliance with the ESMM manual.
- **Quality and environmental systems improvements.**
- **Implementation of IT solutions** (e-commerce and multimedia, e.g.).
- **IP protection:** Including application for patents, costs related to IP protection process, hiring of consultants and/or legal expertise.
- **Organizational development:** including capacity building or technical assistance.

Eligible activities for Component 2: Building an Outsourcing Hub in Gaza and the West Bank

1. Continued support of IPSD II is essential to allow the GGateway Outsourcing Hub to build on its progress to date and allow the full benefits of its model to materialize. The IPSD II project will continue to support GGateway in Gaza and its expansion in the West Bank and/or the region to improve its legal, governance, and organization structure; scale up its operations based on a strong impact and business model; develop best practice internal procedures; and facilitate the attraction of impact investors to ensure long-term sustainability. GGateway will continue to develop its outsourcing model by engaging further with regional and international clients on niche technologies and high-value projects and continue the expansion of its Gaza-based organization to the West Bank and/or the region to facilitate access to business connections, markets, and partnerships with universities and associations with a role in digital transformation and IT sector growth. GGateway will focus on expanding its customer base of international companies based in the US, and the EU, as well as in the MENA region. GGateway will also focus on continued development of the impact arm to support and stimulate the supply of well-trained industry-ready IT professionals in Gaza and its expansion in the West Bank and/or the region, including with skills needed to take advantage of the fast-progressing AI ecosystem, contributing to catalyzing the entry and growth of IT-enabled businesses. Gaza will continue to be a focus area for impact, trainings, and a source of talent for the GGateway Outsourcing Hub, with similar activities or new partnerships developed in the West Bank and/or the region to strengthen the GGateway Outsourcing Hub overall operations and impact.

The IPSD II project will finance TA and operating expenses, as well as training programs on IT skills, with a focus on niche, high-value technologies. The GGateway Outsourcing Hub will also work in partnership with universities in Gaza and West Bank to establish digital academies and develop a new stream of skills in demand from regional and global markets.

3. Implementation Arrangement and Roles and Responsibilities

This section outlines overall project implementation arrangements and roles and responsibilities of IPSD project main entities. The project implementation arrangements would entail two levels. At the apex is the Ministry of National Economy (MoNE) as the formal Counterpart (PC) to the project. For the overall management of the project there would be a Project Implementation Agency (PIA) - the Development Alternatives Inc. (DAI). The following summarizes the main project functions of each of the parties referenced above and other entities relevant to this manual:

3.1 Ministry of National Economy (MoNE)

The MoNE will take a key part in the project to represent Government and ensure Government involvement in strategy and policy, ensure effective communication between the PIA and the PA, to chair the Project Advisory Committee (PAC), report progress to the Palestine Authority,

Key roles and responsibilities include:

- Provide input, through the PAC which it chairs, on strategic aspects of the IPSD project, participating in the project preparation process and disclosing relevant safeguards documents in country.
- Ensure activities are well coordinated with other public sector and donor engagements, keeping the Bank and PIA informed of changes that would impact the project's development objectives.
- Enter into an implementation agreement with the PIA setting out conditions for implementation of the (IPSD) project, and roles and responsibilities of the parties, including decision making authority for funds allocation based on acceptable methods and procedures for procurement acceptable to the World Bank.
- Review annual work plans plan and budgets prepared by the PIA, ensuring alignment with overall objectives and timelines set for project completion.
- Review project progress and outcome reports with a view to monitor progress toward achievement of PDO-level and intermediate results indicators.

3.2 Project Implementation Agency (PIA)

The PIA was recruited from the private sector (DAI) – with delegated decision-making authority for funds allocation and disbursement in accordance with performance-based contracts signed with the PA and in conformity with World Bank procurement and grant guidelines and in compliance with environmental and social requirements.

Key roles and responsibilities include:

- Project procurement
- Financial management of project funds.
- Day-to-day project management, include work plan preparation.

- Technical Services – specifically for the investment pipeline and capacity building.
- Monitoring and Evaluation, including Progress Reporting.
- Moreover, PIA will be responsible for the preparation and production of information material concerning the project’s activities and the GM. The material resources that PIA will mobilize are – (i) a Project specific area on PIA website; (ii) a stakeholder engagement register/log; (iii); printed documents (leaflets brochures, posters, etc.) that will be used, based on the needs of the social engagement plan.

3.3 Project Advisory Committee (PAC)

The Government has established a Project Advisory Committee (PAC) to advise the PIA on project strategy, policy and implementation. The PAC’s members include the MoNE (as chair), the Ministry of Finance and Planning and relevant sector Ministries and private sector representatives. The mandate of PAC will include: (i) responsibility for review of IPSD progress; (ii) provision of strategic guidance over IPSD implementation; (iii) coordination of the involvement of the relevant government agencies in the project, and (iv), facilitating public-private sector dialogue.

The PAC will meet as frequently as necessary to provide strategic and policy direction on all project activities, facilitate the coordination and operation of project activities, address obstacles to project implementation and receive regular progress reports from the PIA.

At the strategic level, the PAC will advise and make recommendations on innovative ways for the public and private sector to tackle the challenges of accessing economic opportunities and easing business entry for individuals and firms in the West Bank and Gaza. It will bring together high-level government and private sector stakeholders in a process to achieve shared objectives to promote market access and entrepreneurship investment opportunities, and it will promote dialogue and elaborate reform strategies to support entrepreneurship growth especially in the digital sector.

The membership of the PAC will comprise representatives of the private sector and government, including key government counterparts from the MoF, MoNE and MoTIT, together with representatives from the financial and private sector. It will be chaired by the MoNE. Participation of relevant representative stakeholders should be agreed on in a transparent manner and be balanced and practicable, so as to best serve the objectives of the board.

Specific responsibilities of the PAC are to:

- Review of IPSD progress,
- Provision of strategic guidance and recommendations during IPSD implementation,
- Coordinate the involvement of the relevant government agencies in the project, and
- Facilitate public-private sector dialogue.
- Provide strategic and policy direction on all project activities.

3.4 Environmental and Social Safeguard Officer (ESO)

The PIA maintained human and material resources to ensure compliance with the environmental and social safeguards requirements under IPSD II. The ESO is responsible for the assessment, mitigation identification, management and monitoring of the project environmental and social considerations. The procedure to be followed by the PIA and ESO in assessment of projects is as follows:

- Carry out assessment /screening for SME's and activities by completing the environmental and social assessment/ checklist form (Annex 1)
- Carry out environmental assessment in a participatory manner and document stakeholder consultations in the assessment documents.
- Determine the potential E&S risks of projects and set out the proper mitigation measures,
- Set out the basis for compliance and enforcement of terms and conditions for approval.
- Conduct Environmental and Social Monitoring.
- Prepare the environmental and social reporting for the project.

4. Laws and Regulations

This section outlines relevant Palestinian National Authority Environmental and Social Laws, in addition to the World Bank's Policies and procedures the following:

- Palestinian Environmental Assessment Policy (PEAP), resolution No: 27- 23/4/2000.
- Palestinian Environmental Law No. 7, 1999.
- World Bank's Environmental and Social Framework (<https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>).
- World Bank's Environmental Health and Safety Guidelines (www.ifc.org/EHSguideline)

4.1 Palestinian Environmental Law and Palestinian Environmental Assessment Policy

The EQA is the main Authority responsible for environmental issues in Palestine. The IPSD Project will be implemented in compliance with applicable environmental laws and regulations of Palestine. Palestine has an environmental assessment Policy that is applicable to the proposed project. In addition, a wide range of laws and regulations related to environmental issues are in place in Palestine. Many of these are cross-sectoral and partially related to the Project activities. This section presents an overview of the major national environmental laws and regulations that are relevant and may apply to activities supported by the project, and World Bank's ESF.

The Palestinian Environmental Law (PEL) No. 7 of 1999 was developed by the EQA to protect environmental resources, including land environment; air environment; water resources and aquatic environment; and natural, archaeological and historical heritage. According to the PEL, the protection

of these resources shall be addressed in all social and economic development plans in view of sustainable development and protection of the rights of future generations.

The core issues of concern in the PEL are the protection of public health and social welfare, as well as the conservation of ecologically sensitive areas, biodiversity and rehabilitation of environmentally damaged areas. The PEL also sets penalties for violating any article presented under this law. The main objectives of the PEL include the following: (i) Protecting the environment from pollution, (ii) protecting public health and social welfare, (iii) incorporating environmental resources protection in all social and economic development plans and promoting sustainable development to protect the rights of future generations, (iv) conserving ecologically sensitive areas, protecting biodiversity, and rehabilitating environmentally damaged areas, (v) establishing inter-ministerial cooperation, (vi) promoting environmental information collection and publication, (vii) promoting public awareness, education and training.

Article 8 of this law reads, "The competent authorities, consistent with their respective specialization, shall encourage undertaking appropriate measures to reduce the generation of solid waste or any other hazardous waste to the lowest level possible, and to the best extent possible, shall encourage solid waste treatment, recycling or processing".

In accordance with Article 12, and 13, the disposal of any hazardous substance or waste should not be done, unless such a process is conformed with the terms, regulations, instructions and norms specified by EQA, in coordination with specialized agencies. Moreover, Article 47, EQA, in coordination with appropriate authorities, is responsible for determining projects that require environmental approvals prior to licensing.

The PEAP was approved by decree No: 27- 23/4/2000. It supports the sustainable economic and social development of the Palestinian people. Specifically, the PEAP objectives are to: (i) ensure an adequate quality of life in all aspects, and ensure that the basic needs and social, cultural, and historical values of the people are not negatively impacted as a result of development activities, (ii) preserve the capacity of the natural environment, (iii) conserve biodiversity and landscape, and promote the sustainable use of natural resources, (iv) avoid irreversible environmental damage, and minimize reversible environmental damage from development activities.

Under the PEAP, proponents of public and private projects are required to submit an application for Environmental Approval that informs the EQA and relevant approving authorities of the intended project activities. Subsequently, a determination is made whether an Initial Environmental Evaluation (IEE) or a detailed EA is required. If neither an IEE nor EA report is required, the EQA, in coordination with the EA Committee, will determine if an Environmental Approval will be granted and, if so, under what conditions.

4.2 World Bank Environmental and Social Framework/ESSs

The World Bank Environmental and Social Framework sets out the World Bank's commitment to sustainable development, through a Bank Policy and a set of Environmental and Social Standards that are designed to support Borrowers' projects, with the aim of ending extreme poverty and promoting shared prosperity. There are ten Environmental and social standards (ESS's), these are:

- ESS1: Assessment and Management of Environmental and Social Risks and Impacts.
- ESS2: Labor and Working Conditions.
- ESS3: Resource Efficiency and Pollution Prevention and Management.
- ESS4: Community Health and Safety.
- ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement.
- ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.
- ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities.
- ESS8: Cultural Heritage.
- ESS9: Financial Intermediaries.
- ESS10: Stakeholder Engagement and Information Disclosure.

Full list and details of World Bank environmental and social standards can be found in the following link: <http://pubdocs.worldbank.org/en/837721522762050108/Environmental-and-Social-Framework.pdf>.

- ESS1: In line with ESS1, PIA updated the ESMM which includes an exclusion list (Annex 1), updated E&S screening methodology, simplified review process for project activities, simplified ESMP and simplified E&S risk management measures that can be included in grant agreements.
- ESS2 is relevant; PIA included the labor management procedures (chapter 7) in the ESMM for IPSD II, including (but not limited to) identification of project workers, description of labor related risks, and measures to manage labor related risks and issues.
- ESS3: In line with ESS3, an E-waste management guideline (Annex 7) will be adopted and implemented by all beneficiaries (included in all grant agreements) for safe E-waste management.
- ESS4: PIA included in the ESMM relevant measures, in line with the World Bank's Environmental, Health, and Safety (EHS) Guidelines (Annex 5).
- ESS5 is not relevant. No land acquisition or resettlement is required under the project.
- ESS6 is not relevant. Biodiversity and the living natural resources are not impacted by the project activities.
- ESS7 is not relevant to the project. There are no known indigenous peoples/sub-Saharan African Historically Underserved Traditional Local Communities in Palestinian Territories.
- ESS8 is not relevant. The project activities are not expected to impact tangible or intangible Cultural Heritage.
- ESS9 is not relevant. No Financial Intermediaries identified under the IPSD Project
- ESS10: to fulfil the requirements of ESS10, PIA has developed a stakeholder engagement Plan (SEP) and was disclosed in July 2023, on the project website (<https://www.ipSD.ps/item-1688991239>).

World Bank classifies projects into four risk classifications: High Risk, Substantial Risk, Moderate Risk or Low Risk projects, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts. It uses the following four categories for any given project (in accordance with the Bank Directive Environmental and Social Directive for Investment Project Financing, <https://ppfdocuments.azureedge.net/52955d77-eaea-40fa-9e42-299529933719.pdf>):

- (a) High Risk classification: where the project is likely to generate a wide range of significant adverse risks and impacts on human populations or the environment. This could be because of the complex nature of the Project, the scale (large to very large) or the sensitivity of the location(s) of the Project. This would take into account whether the potential risks and impacts associated with the Project have the majority or all of the following characteristics:
 - (i) long term, permanent and/or irreversible (e.g., loss of major natural habitat or conversion of wetland), and impossible to avoid entirely due to the nature of the Project;
 - (ii) high in magnitude and/or in spatial extent (the geographical area or size of the population likely to be affected is large to very large).
 - (iii) significant adverse cumulative impacts;
 - (iv) significant adverse transboundary impacts; and
 - (v) a high probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.)

➔ None of the sub-projects in the IPSD II is expected to be within this risk category.

(b) Substantial risk classification: where the project may not be as complex as High Risk Projects, its ES scale and impact may be smaller (large to medium) and the location may not be in such a highly sensitive area, and some risks and impacts may be significant. This would take into account whether the potential risks and impacts have the majority or all of the following characteristics:

- i) they are mostly temporary, predictable and/or reversible, and the nature of the Project does not preclude the possibility of avoiding or reversing them (although substantial investment and time may be required);
- ii) there are concerns that the adverse social impacts of the Project, and the associated mitigation measures, may give rise to a limited degree of social conflict, harm or risks to human security;
- iii) they are medium in magnitude and/or in spatial extent (the geographical area and size of the population likely to be affected are medium to large);
- iv) the potential for cumulative and/or transboundary impacts may exist, but they are less severe and more readily avoided or mitigated than for High Risk Projects; and
- v) there is medium to low probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.), and there are known and reliable mechanisms available to prevent or minimize such incidents;

→ None of the sub-projects in the IPSD II is expected to be within this risk category.

(b) Moderate or low risk classification: where the potential adverse risks and impacts on human populations and/or the environment are not likely to be significant. This is because the Project is not complex and/or large, does not involve activities that have a high potential for harming people or the environment, and is located away from environmentally or socially sensitive areas. As such, the potential risks and impacts and issues are likely to have the following characteristics:

- I. predictable and expected to be temporary and/or reversible.
- II. low in magnitude.
- III. site-specific, without likelihood of impacts beyond the actual footprint of the Project; and
- IV. low probability of serious adverse effects to human health and/or the environment (e.g., do not involve use or disposal of toxic materials, routine safety precautions are expected to be sufficient to prevent accidents, etc.).

→ All sub-projects in the IPSD II are expected to be within this risk category.

The IPSD II under direct and co-financing will finance activities or projects that falls under the moderate risk classification and has moderate to low environmental and social risks. These risks will be mitigated using processes and mechanisms identified in this manual and provides an exclusion list (Annex 1) for any activity under direct or co-financing. The PIA will retain environmental and social experts and needs to demonstrate capacity in environmental and social management and will be expected to provide overall guidance and capacity building in ES issues to firms.

5. Environmental and Social Risk Assessment

This section details the mechanisms and procedures for the environmental and social risk assessment under IPSD II activities.

The IPSD project is considered to pose moderate to low environmental and social risks however this manual will help to mitigate even these risks.

5.1 Environmental Risks

The Project Environmental Risk is considered Moderate. The Project activities would be of tech-tech and tech enabling benefiting companies, SMEs or startups through technical assistance for developing market plans, internal processes, and capacity building activities, in addition to providing stipend for graduates under Component 2. Such activities are expected to cause limited environmental risks and impacts including workers health and safety, and e-waste generation at the end of life in case of any ICT office supplies. The project might as well support tech and tech enabled activities that might involve installation and operating of monitoring system in the different sectors including (water, and sanitation, food, agriculture), where limited and short-term related health and safety risk on workers is anticipated

during the installation and operation. The project clearly excludes any industrial and manufacturing related activities, or any other activities that entail pollution generation, or civil works.

5.2 Social Risks

The social risks are limited in nature and scale, and can be summarized as follows: i. while the project targets vulnerable groups including women and youth, there is a risk of social exclusion or inequitable access of comparatively more marginalized categories within these groups [e.g. persons with disabilities, women headed households, people in Area C, communities in Access Restricted Areas (ARAs) in Gaza and the West Bank etc. to project benefits such as pre-and co-investment grants, training activities offered under GGateway, employment opportunities created through the project and consideration of the specific needs of such groups during the introduction of the regulatory sandbox environment for HBBs due to a lack of focus on these groups in the design of relevant activities, lack of adequate consultation with such vulnerable groups, and lack of information in ‘user’ friendly or context appropriate formats on the nature, requirements, availability of and means to access and use project benefits (under Components 1 and 2); ii. labor and working conditions including (but not limited to) OHS, life and fire safety risk during face-to-face trainings and at enterprise facilities, potential exposure of workers to communicable diseases, and potential exposure of project workers (direct and contracted) to SEA/SH during trainings (both online and face-to-face); and iii. community health and safety issues due to potential incidents of GBV/SEA/SH. Based on the above, the social risk is rated as “moderate”.

The manual includes environmental and social screening of beneficiaries and activities to ensure that potential risks are mitigated before initialisation as detailed in section 6.

6. Environmental and Social Screening Procedure

The environmental and social screening process will be used at the planning stage of activities to determine potential environmental and social impacts and risks, as well as the impacts of each sub activity against identified risks and set the appropriate mitigation measures.

The screening form goes through each ESS and checks whether the sub-project activities will result in certain key environmental and social impacts.

6.1 The E&S Screening procedure comprises of two stages-process

Stage 1: Eligibility screening of start up’s and SME’s and activities

- Eligibility screening shall be conducted to assess the eligibility of the firms and proposed activities (based on the sub-component design), by using the Exclusion List (Annex 1 -Table1:A, Table 1:B, Table 1:C), as the following:

- CI program: Firm Level Screening (Annex 1, Table 1:A), if the firm is eligible, the Activity Level Screening will follow (Annex 1, Table1: B).
 - PI and Nexus programs: Activity Level Screening (Annex 1, Table1: C)
- For Non-eligible activities or SME's, the activity or the SME' will be excluded from the project.

Stage 2: Environmental and Social Screening for eligible activities Upon validation of the SME' or activity technical eligibility (which is conducted by the technical committee), the following screening will take place:

- Environmental and Social screening process shall be conducted for all activities that pass the technical eligibility, where the E&S screening will verify related risks and impacts aiming to identify the approach for E&S risk management procedures and mitigation measures as per the Environmental and Social Standards (Annex 2). Site visit or desk review of relevant materials as appropriate to the types of risks initially identified will be carried out to complete the Environmental and Social Screening Form and determine the appropriate mitigation measures.
- Based on the results of the screening the ESO will prepare the activity environmental and social monitoring plan, which would include activity specific mitigation measures relevant and proportionate to the identified risks (Annex 3).
- Identified measures and plans will be incorporated into activity grant agreements and integrated in the activity design where applicable. DAI management will review and approve the proposal and the agreement upon integrating the E&S plan/checklist in the agreement.

6.2 Environmental and Social Screening Findings and Mitigation Measures

The following section identifies mitigation measures per relevant Environmental and Social Standards, and applicable for the project in reference to the E&S screening findings.

The screening result (Annex2) will identify potential the environmental and social mitigation measures including but not limited to: environmental and social clauses (annexes) in all grant agreements, enforcing compliance with these clauses, and ensuring that beneficiary SME's and Start-ups staff are familiar with them; b) ensuring that beneficiary companies implement the project's mitigation efforts and provide training if necessary; c) ensuring fair competition through equal opportunity and creating a level playing field, d) ensuring access to information and transparency in decisions, and e), undertaking public consultation and information dissemination, and f) establishing and creating awareness on grievance mechanism ,and(g) compliance with the environmental and health and safety requirements.

The mitigation measures will be integrated under:

ESMP Checklist

ESMP checklist is an abbreviated and simplified form of the Environmental and Social Management and Monitoring Plan, for sub-projects classified as Low or limited Moderate risks. Stakeholder consultation shall be conducted as part of the preparation of the sub-project, as per the Stakeholder Engagement Plan, and the feedback will be reflected in the design of the mitigation and monitoring measures in the checklist as appropriate (Annex 3). The specific ESMP will be annexed to the grant agreement.

E&S Measures in the grant agreement

The ESO will communicate with beneficiary staff as needed to ensure that any mitigations planned as a result of the initial screening are feasible. The mitigation measures will be attached to the project grant agreements in the form of Annexes / guidelines

6.3 Environmental and Social Review and Approval

Since IPSD II is moderate risk project, no prior Bank review and approval of the environmental and social screening documents is required.

The PIA will conduct an annual E&S evaluation consistent with the relevant ESSs, and corrective action plan acceptable to the Bank shall be applied during project implementation. In addition to preparing and submitting to the Bank, the ToRs of the first E&S annual evaluation prior the beginning of the evaluation, which shall be conducted by third external party. The E&S evaluation is aimed to ensure the project is complying with environmental and social requirements. Upon the findings of the evaluation, a midterm review may be considerate in second stages; unless the findings revealed noncompliance, where then the Bank will revert to the annual evaluation or to the prior reviewing the environmental and social screening reports.

7. Labor Management Procedures (LMP)

This section includes the labor and working conditions for the IPSD II in line with the project's ESCP, therefore the project will not have a standalone LMP document. Accordingly, the Labor Management Procedures (LMP) is detailed in this section to manage labor and social risks and provides an overview of the key labor risks associated with the project, as well as an overview including provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers. The working conditions include a description of HR policies and procedures in terms of employment, wages and benefits, hours of work, overtime arrangements and overtime compensation, annual and sick leave, vacation and holiday, health insurance and end of service benefits, responsive grievance mechanism and also includes provisions on restrictions to child labor and prevention of forced labor as well as commitment to non-discrimination and equal opportunities.

The objective of preparing this LMP is to identify and manage risks associated with labor and working conditions under the IPSD II Project. It identifies labor requirements in line with applicable laws, standards and sets out the procedures for addressing labor conditions and risks related to the project.

7.1 Overview of the labor use on The Project

This section provides a description of the expected numbers and types of labor to be involved in the project. While for direct workers, estimation of labor number is possible and is provided, for contracted workers it is rather difficult and unclear at this moment in the project's implementation, and as such, the LMP chapter will be updated throughout the lifetime of the project to reflect recent findings in terms of employment numbers and characteristics.

PIA and the benefitting Companies will hire new female and male employees / consultants / trainees to upskill their workforce and expand their company operations. It is expected that the IPSD II will engage the same categories of project workers as in IPSD I as follows:

- **Direct Workers:** DAI workers who are full-time or part time formally transferred to the project. Direct workers include Project Director, Financial and HR Manager, Accountant, Procurement Specialist, Operations' coordinator, Environmental and Social Officer (ESO), a coordinator for Gaza Operations, Early Stage Financing Program Manager, Market Linkages Component Lead, Business Registry Programs Manager, Project Resident Technical Advisor, Communication Specialist, Monitoring and Evaluation Specialist. Hence, the number of direct workers is 13 staff.
- **Contracted Workers:** Consultants engaged by DAI or MoNE and workers who will be employed by the benefitting companies. It's still not clear how many contracted workers will be engaged in the IPSD II. This shall be defined after determining the content of activities that will be included in each contract based on type of activities.

IPSD II will not employ Primary Supply workers and Community workers.

Characteristics of Project Workers: The employees/workers, either male or female, will be engaged according to the work needs. Most of the workers will be skilled labors including managers, employees, engineers in tech-tech and tech enabling benefitting companies, SMESs or startups.

Timing of Labor Requirements: Direct workers will have direct contracts with the PIA, most of the direct workers will be engaged as full-time project staff, where the project is expected to run for 3 years from project effectiveness. Additionally, contracted workers will be engaged during the implementation period of the project, through the benefitting companies, where the exact contracting period will depend on the activity or the subproject that they will accomplish, this will be defined later on as soon as the subprojects will be identified and approved.

Terms and Conditions: The provisions of the LMP do not apply to MoNE civil servants and PIA workers who may work full-time or part-time for the project but have not been formally transferred to the project. These workers will remain subject to the terms and conditions of their existing employment agreement, except for the LMP provisions for forced labor, child labor and safety consideration. The LMP has set terms and conditions for the contracted workers in line with the Palestinian Labor Law and General Conditions of the World Bank Standard bidding documents.

7.2 Assessment of Key Potential Labor Risks

Project activities: IPSD II activities will take place mainly in urban locations across West Bank and Gaza for individuals and firms. The project clearly excludes any industrial and manufacturing related activities, or any other activities that entail pollution generation, or civil works. The Project activities would be of tech-tech and tech enabling benefiting companies, SMESs or startup through technical assistance for developing market plans, internal processes, and capacity building activities, in addition to providing stipend for graduates under Component 2. The project might as well support tech and tech enabled activities that might involve installation and operating of monitoring system in the different sectors including (water, and sanitation, food, agriculture), where limited and short-term related health and safety risk on workers is anticipated during the installation and operation.

Key Labor Risks:

- Risk of social exclusion or inequitable access of comparatively more marginalized categories including women and youth, persons with disabilities, women headed households, people in Area C, communities in Access Restricted Areas (ARAs) in Gaza and the West Bank etc.
 - ✓ Labor and working conditions: The project will include direct workers from PIA who are full-time, or part time formally transferred to the project, contracted Workers e.g. consultants engaged by PIA or MoNE and workers who will be employed by the benefitting companies. Labor risks such as working under pressure stress, fatigue, improper ergonomics, eye strains, and lack of physical movement through project financial support and salaries for new employees, payment of overtime, unpaid salary in part or in full, minimum employment age and child labor risks, and rights of association are not in accordance with the requirements of national law and ESS2.
- Exposure of direct and contracted workers to a certain level of occupational health and safety risks during the installation and operating of monitoring system in the different sectors including (water, and sanitation, food, agriculture), where limited and short-term related health and safety risk on workers is anticipated during the installation and operation, or OHS risks associated with life and fire safety risks during face-to-face trainings and at enterprise facilities, potential exposure of workers to communicable diseases, especially if proper hygiene, safety precautions and social distancing measures are not adhered to.
- Potential exposure of project workers (direct and contracted) to SEA/SH during trainings (both online and face-to-face);

- Risks related to data privacy.
- Labor influx risk is unlikely to take place, since there is no need for any labor force to be brought in from outside the project area.

7.3 Mitigation Measures

- Ensuring that the terms and conditions for workers are in accordance with the requirements of national law and ESS2 (covering terms and conditions of employment; non-discrimination and equal opportunities; discrimination in relation to recruitment; prohibition of forced labor & child labor; discrimination in providing benefits; grievances and workers' rights), is important. The risks will be mitigated by the application of the national labor laws as detailed in 7.4 (e.g., min wages, working hours, insurance etc.). The following measures are developed and monitored by the ESO under the Project to ensure fair treatment of all employees/workers:

Terms and Conditions of Employment for all workers:

- ✓ All project workers will be provided with an employment contract with clear work terms and conditions and setting out their rights under the national labor law, including information regarding their terms and conditions of employment, hours of work, wages, overtime, compensation and benefits, holidays, leaves, etc. and will have the contents explained to them. Workers will sign the employment contract.
- ✓ A child under the age of 18 will not be employed or engaged in connection with the Project. The employer will be required to verify, identify and document the age of all workers. If underage workers (under 18) are found working on the Project, measures will be taken to immediately terminate the employment or engagement of the child in a responsible manner. A regular review and checkup will be conducted by ESO at PIA to make sure no underage workers are still working on the Project.
- ✓ Maximum working hours for project workers will not exceed forty-five hours a week, unless otherwise stated in their employment contract in accordance with the Palestinian Labor Law.
- ✓ All project workers will be covered with injury insurance.
- ✓ All project workers will be paid on a regular basis as required by national law.
- ✓ The project will ban the use or support of child, forced or compulsory labor.
- ✓ For risks related to working under pressure and project workers should be provided with an orientation and overview of potential OHS risks at the workplace. The ESO should ensure safe work environment and equipment. Collectively, the PIA should promote a safety culture, healthy work environment and compliance with relevant national regulations as well as ESS2.

- The risks of GB/ SEA/ SH are mitigated by the application of a set of measures including Code of Conduct (CoC) for workers which shall be included in all signed grant agreements under IPSD II (Annex 6). The selected companies will implement the project Code of Conduct. The Code of Conduct includes provisions relating to GBV and SEA/H. The GMs for workers and beneficiaries shall also have features to accept and process GBV/SEA/SH complaints, including special pathway for anonymous complaints.
- The risk of exposure workers to a certain level of occupational health and safety risks are mitigated by the application of a set of measures including EHS guidelines and measures that will be annexed to all grant agreements (Annex 5). All workers will be made aware of the EHS guidelines and measures regarding the potential exposure of workers to OHS risks and communicable diseases.
- Risk of social exclusion is mitigated by the implementation of the project SEP, including vulnerable group inclusion measures.
- PIA will include in all grant agreements as requirement for companies to report on issues such as incidents related to non-compliances, and penalties for non-completion.

7.4 Brief Overview of Labor Legislation: Terms and Conditions

Below is the overview of the key aspects of Palestinian Labor Law (No. 07 of 2000), the Council of Ministers Act 11, 2012, and the terms and conditions of work in ESS2, para 11.

The Working Contract

The individual work contract is an explicit or implicit written agreement, which had been concluded between an employer and a worker for a limited or unlimited period of time or for the accomplishment of a certain work, in accordance with which the worker shall undertake to perform work for the benefit of the employer and under his/her management and supervision, and in which the employer shall undertake to pay the wage agreed upon to the worker. The maximum duration of the limited period work contract concluded with the same employer shall not exceed two successive years, including the instances of renewing such contract.

Minimum Wages

The “Committee on Wages”, formed by the Council of Ministers Resolution No. (46) Of 2004, determines the minimum wage limit which has to be issued through a decision by the Council of Ministers. The “Committee on Wages” has determined the minimum wages and these wages were issued by the Council of Ministers Resolution No. (11) of 2012 regarding the adoption of the minimum wage in all areas of the Palestinian National Authority. In 2021, the committee revised the minimum wage, and a new minimum wage has been enacted by the Council of Minister Resolution No. (4) of 2021 (1,880 NIS per month).

Payment Regularity

According to Article (82) of the PLL:

The wage shall be paid to the worker using the circulated legal currency, provided that the payment is conducted according to the following:

- a) On the working days and in the workplace.
- b) At the end of each month in relation to workers paid based on a monthly wage.
- c) At the end of each week in relation to workers, working on unit production or hourly or daily or weekly basis.

The worker's wage payment may not be delayed for a period exceeding five days from the wage regular payment date.

Deductions from Payment of Wages

According to Article (83) of the PLL:

1. With the exception of the following, no amounts may be deducted from the worker's wage:
 - a) In pursuance of a final judicial judgement.
 - b) For any loan due for the employer, provided that each deduction does not exceed (10%) of the related worker's basic wage.
 - c) The fines imposed upon the worker in pursuance to the provisions of this Law or the regulations issued according to it.
2. The total of deductions made under subparagraphs (b and c) in Paragraph (1) above may not exceed (15%) of the worker's basic wage.

The provisions of Article (83) of the PLL complies with the ESS2 (Paragraph 11) requirement that states "Deductions from payment of wages will only be made as allowed by national law or the labor management procedures, and project workers will be informed of the conditions under which such deductions will be made".

Insurance and compensations

According to Articles (116) through (130) of the PLL: "The employer of direct, contracted and primary supply workers must insure all their workers against work injuries at licensed insurance providers in Palestine". The insurance made by the employer for the workers will pay compensation for work-related damage that caused any deterioration to the employee's health and will cover the subsequent, necessary treatment and give compensations as illustrated in Articles (116) through (130). If the work injury resulted in the death or in a permanent total disability, the heirs in the first instance and the injured worker in the second one shall be entitled to a cash compensation that is equal to the wage of (3,500) working days or (80%) of his/her basic wage for the remaining period until he/she reaches the age of sixty years, whichever is greater.

Working hours, Rest Periods and Weekly Holiday

According to Articles (68) through (73) of the PLL:

The actual working hours shall be forty-five hours per week. Government employees work for 7 hours a day, (Sunday through Thursday), totaling 35 hours per week. The daily working hours shall include one or more resting periods, the total of such periods shall not exceed one hour, taking into consideration that the worker shall not work for more than five consecutive hours. The duration of rest between working days is one day on Friday for contracted workers and two days for direct workers. Friday is the weekly rest period (holiday) unless the interest of the work requires the allocation of another day, provided that such day is taken by the worker on a regular basis.

Leave

According to Articles (74) through (80) of the PLL:

An employee will have the right to enjoy paid leave for at least 14 days, sick leave of 14 days, sick leave of additional 14 days with half of salary/ wage, this is also in accordance with bylaw No. (10) of 2021. Leave does not include maternity leave which is 70 days. The worker shall have the right to paid leave on religious and official holidays, which is not considered or counted as annual leave. Workers working according to limited period work contracts, including those working according to occasional work contracts or seasonal work contracts, shall enjoy the same rights and be under the same obligations, which the workers working according to unlimited work contracts are subject to in the same work conditions, taking into consideration the special provisions related to the work for a limited, occasional, and seasonal period.

Women

According to Articles (74) through (80) of the PLL:

Palestinian Labor Law includes provision for prohibition of discrimination between men and women. Employment of women is prohibited in the following jobs or under the following conditions: dangerous or hard works, extra working hours during pregnancy and during the first six months after delivery, and during night hours except for the works defined by the Council of Ministers.

The working woman who had spent a period of one hundred and eighty days at work prior to each delivery, shall have the right to a paid maternity leave for a period of ten weeks, including at least six weeks after the delivery. The working woman may not be dismissed from her work because of the maternity leave unless it is proven that she worked in another work during such leave. The breastfeeding mother shall be entitled to a period or periods for breast feeding during work hours, the total of which shall not be less than one hour per day for a period of one year from the date of delivery. The breastfeeding hour, mentioned above, shall be counted as part of the daily working hours. According to the work interest, the working woman may obtain an unpaid leave to foster her child or accompany her husband.

Labor disputes

According to Articles (60) through (67) of the PLL:

Palestinian Labor Law includes provision for workers exemption from legal fees arising from work-related disputes and allows to unionize. A bipartite committee will settle any disputes that may arise

from the implementation of any work- related agreement. The court has jurisdiction over labor related disputes.

The Palestinian Labor Law applies to direct workers and contracted workers, who are employed on full-time basis. Terms and conditions of direct/contracted workers hired on part-time basis are determined in their individual employment contracts.

Termination of contract

According to Article (46) of the PLL:

1. Any of the two parties to the indefinite period work contract may terminate such contract by sending with a receipt of delivery to the other party a month prior to the termination of the work.
2. The worker who receives a notice of termination of the work contract from the employer shall have the right to be absent from work during the second half of the notice's duration. His/her absence shall be deemed to constitute actual work at the installation.
3. It shall be considered as an arbitrary termination of the contract if it is terminated without the presence of due causes for its termination.

According to Article (39) of the PLL:

The following instances will not justify the termination of work by the employer:

1. Affiliation with a union or participating in a union's activities after working hours, or during working hours in case the employer gives his/her consent.
2. The worker's request that he/she represents the workers or his/her current or past representation of such workers.
3. The worker's bringing a lawsuit against the employer or his/her participation in proceedings against the employer claiming his/her violation of the Law, in addition to the worker's filing a complaint before the competent administrative bodies.

Key Gaps between ESS2 and National Labor Law

The key gaps between ESS2 and the Palestinian national Labor law include:

Not all labor laws are fully aligned with ESS2. Important areas for consideration relate to:

- **Forced labor:** Forced, involuntary, bonded labor etc. are not addressed by the Labor Law No. 7 of 2000. There is no specific provision in national legislation punishing the exaction of forced labor.
- **Discrimination:** Gender discrimination in the different aspects of the employment relationship, including in recruitment, promotion and terms and conditions of employment, is not expressly prohibited. Discrimination against a number of personal characteristics is not expressly prohibited under the Labor Code, including race, political belief, language, sexual orientation or gender identity. Sexual harassment is not expressly prohibited by law.

- Contracted and primary supply labor: National law does not contain specific requirements on the use of contracted labor or on the use of primary supply labor.

As an essential mitigation measure to address the gaps in the Palestinian National Labor law regarding labor dispute issues and to provide the workers with a non-judicial procedure, the project has established a Workers' Grievance Mechanism under the IPSD I project that is described later in this LMP and which will be used in the IPSD II.

Brief Overview of Labor Legislation: Occupational Health and Safety (Ohs)

The workers engaged with project activities will remain the same as the IPSD I, who will be exposed to limited health and safety risks of medium to low significance. However, the Palestinian Labor Law No. 07 of 2000 is applicable to project workers and the following points among others set out in ESS2 will be ensured:

- All potential risks to project workers' health and safety will be identified by all parties who employs workers and develop and implement procedures to establish and maintain a safe working environment, including workplaces and processes under their control.
- The benefiting firms will report any accidents, diseases and incidents. Also remedies for adverse impacts such as occupational injuries, disabilities and diseases will be provided.

7.5 Gender Based Violence (GBV) including Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH)

The PIA, benefiting companies, and contracted workers will maintain labor relations with local communities through a code of conduct (CoC). The CoC commits all persons engaged by any stakeholder, to acceptable standards of behaviour. The CoC shall include sanctions for noncompliance, including non-compliance with specific policies related to gender-based violence, sexual exploitation and sexual harassment (e.g., termination). The CoC shall be written in Arabic in a reader-friendly style and signed by each worker to indicate that they have:

- i. received a copy of the CoC as part of their contract.
- ii. had the CoC explained to them as part of induction process.
- iii. acknowledged that adherence to this CoC is a mandatory condition of employment.
- iv. understood that violations of the CoC can result in serious consequences, up to and including dismissal, or referral to legal authorities.

A copy of the CoC shall be displayed in a location easily accessible to the community and project affected people.

Additionally, the project's level and workers' GM will include adequate uptake mechanisms and effective resolution schemes in addition to referral mechanisms for GBV grievances that guarantee survivor's confidentiality and anonymity.

7.6 Responsible Staff

The IPSD II will be implemented under direct supervision and management of the PIA, with overall management and supervision of MoNE. The following shows the individuals responsible within the project to engage and manage project workers:

Activity Responsible Staff:

- Engagement and management of the Project direct workers: ESO at PIA
- Engagement and management of the Project contracted workers: ESO at PIA and benefitting companies.
- Addressing workers' grievances: The benefitting companies in coordination with the ESO.

8. Grievance Mechanism

In Palestine, the right of the public to complain is ensured by the grievance bylaw approved by the Ministerial Cabinet on 9/3/2005 and updated on 8/3/2009. Citizens and beneficiaries of IPSD II can raise their complaints anytime during the implementation and operation of the project and that their complaints must be settled. The appropriate partner for the implementation of the Grievance Redressal Mechanism (GRM) is PIA, which is responsible for working with related institutions and assisting with the implementation of the GRM.

8.1 Project GM

A grievance mechanism (GM) was already in place for IPSD I and will be maintained for IPSD II to ensure that PAPs have the access to a viable system to air grievances and to seek resolution with no intimidation or coerciveness. The grievance system is also important for PIA to ensure they are accountable to complaints and that these complaints are handled transparently and efficiently. The IPSD I GM has been effective and well-functioning throughout the project cycle. Since project effectiveness, 7 complaints have been received, processed, resolved, and closed. The complaints were primarily about rejection of grant applications and in response, the PIA provided an explanation to all complainants. While some of the complainants were satisfied with the PIA's explanation, 3 complainants also contacted the Bank team to verify the PIA's response. The Bank's technical team looked into these cases and confirmed that the PIA's response was in line with the grant selection requirements, these complaints were then closed in the PIA system.

The GM system includes complaints related to GBV including Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH) and labor related grievances, provided with special referral pathways. A detailed GM manual that includes guidelines on filing and handling complaints at the IPSD I project's

level was finalized with the support of the World Bank consultant including GBV complaints. For IPSD II, channels to accept and respond to GBV grievances, while ensuring high confidentiality, will be communicated to the project's affected parties during the consultation meetings and throughout project implementation. Training will also be provided by a GBV expert for the ESO on detection of cases of gender-based violence and handling of inquiries, complaints and grievances related to GBV. The ESO will be responsible for managing this type of complaints with high priority, seriousness, data protection and privacy through channelling the complaint to the Head of PMU and to follow-up on it, in coordination with the DAI Corporate Ethics and Compliance Officer or Director of Safeguarding.

Anyone from the affected communities or anyone believing they are affected by the Project can submit a grievance. Complaints shall be filed using one of the following methods:

- The complainant can also download the Complaints' form from the IPSD website, fills it and sends it via email using the following email address: IPSD_Complaints@dai.com.
- Verbally by calling the Complaints Line: the complainant can call the following number: +970-2-298 8530 to file a complaint.
- In person: the complainant files a complaint by filling and signing a form at the IPSD offices in Ramallah at this address: Haifa Building, 4th floor, Al-Irsal- Ramallah- Palestine Or in Gaza at this address: Bank of Palestine Building, 8th floor, Gaza.
- Grievances should be resolved within thirty days from the date of receipt of the complaint.

The grievance must include the following information:

- The name, position and address of the complainant
- The date of issuance of the decision appealed against and the date of its publication, or the date of announcing the decision appealed against
- The subject matter of the decision being appealed against and the reasons on which the appeal is based.

Where possible it is desirable that complaints are submitted in writing by the complainant. Should the complainant not wish to comply with this request and submit the complaint verbally, then the complainant information and the details of the complaint should be entered in the GM Tracking Matrix. The project GM is described in more details in the project Stakeholder Engagement Plan (SEP).

8.2 Grievance Mechanism for PIA workers (DAI workers)

PIA developed and implemented a grievance mechanism for their workers/staff. The PIA direct workers including project managers and supervisors who are assigned to work on this Project are referred to contact the DAI's Chief Ethics and Compliance Officer directly at +1-301-771-7998 or at ethics@dai.com. If any employee wishes to remain anonymous, he /she can visit www.dai.ethicspoint.com and choose "To Make a Report.". A hotline number is also provided at +1-503-597-4328. All reports will be reviewed and responded.

8.3 Grievance Mechanism for workers at supported firms

PIA shall require selected companies to develop and implement a grievance mechanism for their workforce including workers who will be employed or trained by the project, prior to the start of any activities. The selected companies shall provide a clear labor GM for the workers who will be employed or engaged in connection with the project. The GM shall include special referral pathways for workers' grievances on GBV and SEA/SH with referral to the PIA's GRM. This grievance mechanism shall also address child labor, GBV and sexual harassment related grievances. As a result, it develops features to accept and respond to anonymous complaints.

IPSD II project is responsible for working with related companies and assisting them with the implementation of the GRM. Selected companies will be requested to inform the workers about the available tools to lodge grievances such as telephone numbers and email. The workers' grievance mechanism include:

- Procedure to receive grievances such as comment/complaint form, suggestion boxes, email, and telephone line,
 - Stipulated timeframes to respond to grievances,
 - A register to record and track the timely resolution of grievances, and
 - Responsible office/department to receive, record and track resolution of grievances.
- Provisions for handling of GBV in the GM;

8.4 Gender Based Violence (GBV) complaints

Due to the high sensitivity of SEA/SH/GBV, the project's GM will ensure confidentiality and survivor centered approach for SEA/SH grievances. Information about the existence of the GBV grievance mechanism and of channels to accept and respond to anonymous grievances will be communicated to all stakeholders, including project workers throughout project implementation.

To ensure the confidently and privacy for such complaints there will be a separate mechanism to deal with the submitted complaints, and this mechanism will be managed by PIA only.

GBV Grievances Referral

The ESO, upon the agreement of the survivor, will seek a GBV service provider (through a third specialized party, who shall be contacted during project implementation such as Sawa Organization).

8.5 World Bank Grievance Redress System

Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may also complaint directly to the Bank through the Bank's Grievance Redress Service (GRS) (<http://projects-beta.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>).

A complaint can be submitted to the Bank GRS through the following channels:

- By email: grievances@worldbank.org
- By fax: +1.202.614.7313
- By mail: The World Bank, Grievance Redress Service, MSN MC10-1018, 1818 H Street Northwest, Washington, DC 20433, USA.8. Environmental and social monitoring, evaluation and reporting.

9. Environmental and social monitoring and reporting

The objectives of monitoring are to: (i) keep the record of project environmental and social impacts and ensure implementation of mitigation measures; (ii) alert the project implementation team about changes that are necessary; and (iii) evaluate whether the mitigation measures have been successfully implemented.

The environmental and social indicators that need to be monitored under the IPSD subprojects include labour and working conditions, GM complaints including GVB, SEA/SH complaints, OHS incidents, e-waste management, discrimination and social exclusion or inequity.

Environmental and social monitoring needs to be carried out by the PIA and any changes in monitoring parameters must be approved by the PIA and the World Bank Team.

- Pre-implementation Phase: project activities are screened, and appropriate mitigation measures are identified and incorporated into all grant's agreements.
- Implementation Phase: an environmental and social compliance monitoring report is prepared by PIA, using the specific measures required to assess general environmental and social management/performance, (Annex 4) provides templated for the minimum requirement of indicators to be reported at each SME/Start-up, this annex is built based on the environmental and social monitoring plan (Annex 3).
- Post-implementation Phase: a summary report is prepared on implementation effectiveness of all environmental and social mitigation measures and share it with the World Bank.

End-of-project disposal of hazardous materials including e-waste should be monitored by the beneficiary companies in terms of: (i) effective transport of hazardous materials using registered transport services, and (ii) ensuring that e-waste is disposed of at approved sites selected by EQA. E-waste management and mitigation measures (Annex 7) are applicable on direct e-waste (equipment purchased under IPSD grants and investments) and indirect e-waste (already existing equipment at beneficiary firms).

9.1 Environmental and Social Monitoring Plan

The environmental and social monitoring plan (tracking matrix Annex 3) will be used as a guidance for each project that requires environmental and social mitigation and monitoring.

The purpose of the monitoring matrix is to:

- Determine the potential impacts of projects and set out the proper mitigation measures to mitigate the impacts.
- Set out the basis for compliance and enforcement of terms and conditions for approval,
- Monitor compliance.

The Monitoring plan, i) describes the potential environmental and social impacts of activities; (ii) outlines proposed mitigation measures; (iii) identifies the parties that will carry out the monitoring of the mitigation measures in relation to project stages; (iv) outlines the time horizons for the various activities; and the associated costs and sources of funds for implementation.

The Mitigation measures will be implemented by the firms and with monitoring done by the ESO at PIA. The ESO will ensure that the firm complies with the results and recommendations of the screening report prior to grant signing, and post grant signing (check Annex 3) and maintains the records of the compliance with the E&S requirements, such as: employment contracts, IDs for min age of employment, insurance against work injuries, the development of workers' GM at the beneficiary level, signing the code of conducts and the E-waste and ESH guidelines and further needed database and progress reports. The frequency of monitoring depends on the grant's implementation period, quarterly, as needed.

9.2 Quarterly and Annual Reports by PIA

During the Project implementation phase, the PIA will include in their quarterly reports a brief section on environmental and social performance for PIA management; these reports will include an update on implementation of the stakeholder engagement activities and focus on the identified indicators for these activities. Quarterly reports will be used to develop the annual reports reviewed by PIA director.

At the end of each year of operation, the PIA will prepare an annual summary report on environmental and social performance for PIA management, which will include an update on implementation of the stakeholder engagement plan and include identified indicators for project activities. The report will also include a summary of the complaints received and handled by the project and a GM log.

10. Environmental and Social Capacity Building and Training

To ensure compliance and effective environmental and social management, training on environmental and social requirements will be conducted at the PIA level. A capacity building program will be prepared and delivered for PIA staff on labor laws and regulations, Health and Safety procedures, grievance mechanisms including issues related to gender-based violence and sexual harassment, safe E-Waste management and other issues.

During IPSD 1, the ESO participated in the local ESF training and capacity building that was held by WB about ESF fundamentals. Moreover, the ESO also participated in the ESF training about ESS2. However, capacity building is an ongoing activity, therefore, other trainings may be needed for the PIA in different aspects and standards that apply to the project.

Training and capacity building shall be implemented throughout the project life cycle for the ESO (as needed) in different aspects but not limited to, such as:

- Stakeholder engagement.
- Inclusion of vulnerable groups.
- Grievance redress
- Issues related to potential incidents of SEA/SH and GBV.

Training and capacity building shall also be implemented throughout the project life cycle for Project workers (either individually under each grant, or for group of firms), as the following:

1. Objective of the capacity building: to improve the capacity of project workers in tech and tech enabled firms about the E&S requirements and measures to ensure that project is designed and implemented in an environmentally and socially sustainable matter.
 2. Target groups: project workers, employees/workers, either male or female who will be engaged in the project, including managers, employees, engineers, trainees in tech-tech and tech enabling benefiting companies, SMEs or startups.
 3. Frequency of trainings: the frequency of the needed group trainings will be conducted annually or biannually, as needed. Individual trainings can be conducted as well, during grant implementation, as needed.
 4. Budgets: most probably all capacity building sessions with the benefiting firms will take place remotely (virtually) via Zoom, since these means are more convenient and accessible (no estimated budgets).
- Suggested topics for benefiting companies:
 - ✓ Occupational health and safety management in tech enabled business environment and ICT Projects, if OHS risks were identified.
 - ✓ Prevention and response to potential incidents of SEA/SH/GBV;
 - ✓ Guidance on handling e-waste.

Annex 1: Eligibility Screening

This form is a tool to standardize the environmental and social screening process of Startup’s and SME’s and activities. The screening must be carried out at an early stage of the activity, in accordance with the requirements of the Environmental and Social Management Manual. The ESO at PIA must complete each section of this form, as outlined below.

Beneficiary Firm	
Contact person and contact details	
Expected start date (month/year) and duration (in months) of project implementation phase	
Main Activities to be supported by the fund	
Expected number of workers during operation	

**Table 1:A Eligibility Screening under the CO Investment Program for Start up’s and SME’s
(NOT ACTIVITIES)- Exclusion List**

	Business Model	Yes/No	Recommendation / Next Steps
1	Does the firm / start up and SME conducts activities that (i.e industrial/ manufacturing related or construction or activities, or any other activities that (high or substantial risk rating) considering generating a wide range of significant adverse risks and impacts on human populations or the environment, long term, permanent and/or irreversible, high in magnitude and/or in spatial extent, significant adverse cumulative impacts, significant adverse transboundary impacts, high probability of serious adverse effects to human health or the Environment?		If the Answer is Yes, the FIRM is excluded from the Co Investment program. If the answer is NO, please proceed to Table 1-B.

**Table 1:B Eligibility Screening under the CO Investment Program for Activities
(NOT FIRMS) -Exclusion list**

	Type of Activities	Yes/No	Recommendation / Next Steps
1	Are the activities directly financed or co-financed likely to generate a wide range of significant adverse risks and impacts on human populations or the environment. This could be because of the complex nature of the Project, the scale (large to very large) or the sensitivity of the location(s) of the		If the Answer is Yes, the Project activities / sub activities directly financed or co-financed are excluded from the project scope.

	Project. This would take into account whether the potential risks and impacts associated with the Project fall under the high risk rating projects, as stated under section 4.2 of this ESMM.		
2	Are the activities directly financed or co-financed smaller in scale than category 1 (high risk rating) and the location is not in such a highly sensitive area, and some risks and impacts are significant? This would take into account whether the potential risks and impacts associated with the Project fall under the substantial risk rating projects, as stated under section 4.2 of this ESMM.		If the Answer is Yes, the Project activities / sub activities directly financed or co-financed are excluded from the project scope.
3	Are the activities directly or co-financed industrial / manufacturing related or construction activities, or any other activities that entail pollution generation?		If the Answer is Yes, the Project activities / sub activities directly financed or co-financed are excluded from the project scope

If the answer is (Yes) for any of the above questions, the Project activities / sub activities directly financed or co-financed are excluded from the project scope. Then please proceed to Annex 2.

If All the answers (No) for the above questions, please proceed to Annex 2.

**Table 1:C Eligibility Screening under the PI and Nexus Programs
for the Activities (NOT FIRMS) -Exclusion list**

	Type of Activities	Yes/No	Recommendation / Next Steps
1	Are the activities directly financed likely to generate a wide range of significant adverse risks and impacts on human populations or the environment. This could be because of the complex nature of the Project, the scale (large to very large) or the sensitivity of the location(s) of the Project. This would take into account whether the potential risks and impacts associated with the Project fall under the high risk rating projects, as stated under section 4.2 of this ESMM.		If the Answer is Yes, the Project activities / sub activities directly financed are excluded from the project scope.
2	Are the activities directly financed are smaller in scale than category 1 (high risk rating) and the location is not in such a highly sensitive area, and some risks and impacts are significant? This would take into account whether the potential risks and impacts associated with the Project fall under the substantial risk rating projects, as stated under section 4.2 of this ESMM.		If the Answer is Yes, the Project activities / sub activities directly financed are excluded from the project scope.
3	Are the activities directly financed are industrial / manufacturing related or construction activities, or any other activities that entail pollution generation?		If the Answer is Yes, the Project activities / sub activities directly financed are excluded from the project scope.
4	Will the fund be used to support the core operation of the company including activities that will be expected of substantial and high risk?		If the Answer is Yes, the Project activities / sub activities directly financed are excluded from the project scope.

If the answer is (Yes) for any of the above questions the project activities / sub activities directly financed are excluded from the project scope. Then please proceed to Annex 2.

If All the answers (No) for the above questions, please proceed to Annex 2.

**Annex 2: Environmental and Social Screening for Eligible Activities Across all programs
(Upon validation of the SME' or activity technical eligibility, the following screening will be conducted):**

Questions	Answer		Next Steps
	Yes	No	
ESS2			
1. Does the subproject involve recruitment of workforce including direct, contracted workers?			<p>If “Yes”: Apply LMP measures in chapter 7, including working conditions, code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers.</p> <p>Include the relevant E&S risk management measures in the grant agreement, as stated in the ESMP (Annex3), including the Labor law terms in section 7.4, code of conduct in Annex 6, and GM measures as stated in chapter 8.</p>
2. Will the workers be exposed to workplace hazards (within the moderate risk rating) that needs to be managed in accordance with local regulations and EHSGs?			<p>If “Yes”: Apply LMP in chapter 7, as stated in section 7.3.</p> <p>Include the relevant E&S risk management measures in the grant agreement, as stated in the ESMP (Annex3), including relevant EHS measures in Annex 5.</p>
3. Do workers need PPE relative to the potential risks and hazards associated with their work?			
4. Is there a risk that women may be underpaid when compared to men when working on the project?			<p>If “Yes”: Apply LMP in chapter 7.</p> <p>Include the relevant E&S risk management measures in the grant agreement, as stated in the ESMP (Annex3), including the Labor law terms in section 7.4, and code of conduct in Annex 6, and GM measures as stated in chapter 8.</p>
ESS3			
5. Is the project likely to generate minor amounts of solid or liquid waste or air pollution?			<p>If “Yes”: Apply the waste management guidelines, provided in Annex 7. Include the relevant E&S risk management measures in the grant agreement, as stated in the ESMP (Annex3).</p>
ESS4			
5. Is there a risk of increased community exposure to communicable disease (such as COVID-19, HIV/AIDS, Malaria), or increase in the risk of traffic related accidents?			<p>If “Yes”: Apply LMP in chapter 7, as stated in section 7.3.</p> <p>Include the relevant E&S risk management measures in the grant agreement, as stated in the ESMP (Annex3), including relevant EHS measures in Annex 5.</p>
6. Is there a risk that SEA/SH may increase as a result of project works?			<p>If “Yes”: Apply LMP in chapter 7.</p> <p>Include the relevant E&S risk management measures in the grant agreement, as stated in the ESMP (Annex 3), including code of</p>

			conduct in Annex 6, and GM measures as stated in chapter 8.
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Annex 3: Environmental and Social Monitoring Plan Matrix

Environmental and social compliance monitoring report, using the specific measures required to assess general environmental and social management/performance.

Issue / risk identified	Mitigation measures	Mitigation Measures Reference	Responsibility Implementation stage / Operation stage	Monitoring	Frequency	Cost
ESS 10 Stakeholder Engagement	Apply the project SEP including public information disclosure and consultation throughout the entire project cycle. The SEP outlines the ways in which the project team will communicate with stakeholders and vulnerable groups 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.	SEP	PIA	PIA	Throughout the project implementation	Covered from the Project budget
ESS 2: Occupational Health and Safety	Provide awareness guidelines for workplace health and safety including training or awareness session on workplace hazards and mitigation (Annex 5). For activities that will have moderate OHS risk: <ul style="list-style-type: none"> • Perform OHS risk assessment and ensure the Workers are aware of the risks and adhere to OHS guidelines (Annex 5). • Apply proper signage to the 	OHS guidelines (Annex 5)	PIA/SME's	PIA	Throughout the project implementation	Covered from the Project budget The SME is responsible for cost of implementing the related measures

Issue / risk identified	Mitigation measures	Mitigation Measures Reference	Responsibility Implementation stage / Operation stage	Monitoring	Frequency	Cost
Labor conditions	<p>workspace, as needed.</p> <ul style="list-style-type: none"> • Provide workers with appropriate PPEs, if needed. • Close the work area from entry, if applicable. • Suppress dust generation where applicable, • Identify working hours, if needed. <ul style="list-style-type: none"> • All project workers will be provided with an employment contract with clear work terms and conditions and setting out their rights under the national labor law, including information regarding their terms and conditions of employment, hours of work, wages, overtime, compensation and benefits, holidays, leaves, etc. and will have the contents explained to them. Workers will sign the employment contract. • All project workers employed for the purpose of the project will be above 18 years. • Maximum working hours for project workers will not exceed forty-five hours a week, unless otherwise stated in their 	<p>LMP in chapter 7, including the Labor law terms in 7.4, the EHS guidelines in Annex 5, and code of conduct Annex 6, and GM as stated in chapter 8.</p>				

Issue / risk identified	Mitigation measures	Mitigation Measures Reference	Responsibility Implementation stage / Operation stage	Monitoring	Frequency	Cost
	<p>employment contract in accordance with the Palestinian Labor Law.</p> <ul style="list-style-type: none"> • All project workers will be covered with injury insurance. • The project will ban the use or support of child, forced or compulsory labor. • Selected companies shall develop and implement a grievance mechanism for their workforce including workers who will be employed or trained by the project, prior to the start of any activities. The GM shall include special referral pathways for workers' grievances on GBV and SEA/SH with referral to the PIA's GRM. All workers will be made aware of the workers' GM available at companies. • The selected companies and contracted workers will comply with and implement the project Code of Conduct. The Code of Conduct includes provisions relating to GBV/ SEA/SH, and data privacy. • Grant agreements should include a reference to the project GRM 					

Issue / risk identified	Mitigation measures	Mitigation Measures Reference	Responsibility Implementation stage / Operation stage	Monitoring	Frequency	Cost
	(under IPSD) to be used by beneficiaries/ workers. <ul style="list-style-type: none"> Attach all relevant annexes to the project agreement. 					
ESS3 E-waste generation and disposal	Include the E-waste management guidelines in all grant agreements. Adopt and implement the E waste management guidelines by the firms.	E-waste Disposal Guidelines (Annex 7)	PIA/ SME	PIA SME's after closure of the grant agreement	Throughout the project implementation	•The SME is responsible for cost of implementing the measures
ESS4 Community Health and Safety risks	Include the relevant EHS measures in grant agreements- as applicable - including community exposure to communicable disease. Include the relevant measures to mitigate SEA/SH, including code of conduct and GM measures.	Annex 5. LMP in chapter 7, as stated in section 7.3. Annex 6 and GM measures in chapter 8.	PIA/SME's	PIA	Throughout the project implementation	Covered from the Project budget The SME is responsible for cost of implementing the related measures
Incident reporting	The grant agreement shall include a reference to promptly notify the PIA of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that	ESCP	PIA / SME's	PIA	Throughout the project implementation	Covered from the Project budget. The SME is responsible for cost of implementing their related measures.

Issue / risk identified	Mitigation measures	Mitigation Measures Reference	Responsibility Implementation stage / Operation stage	Monitoring	Frequency	Cost
	result in death, serious or multiple injury.					

Annex 4: Environmental and Social Monitoring Report Template

Issue / risk identified	Mitigation measures	Compliance	Correction measure	Timeline for Correction	Remark/ Comments	Compliance
ESS 10 Stakeholder Engagement	Apply the project SEP including public information disclosure and consultation throughout the entire project cycle. The SEP outlines the ways in which the project team will communicate with stakeholders and vulnerable groups 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.					
ESS 2: Occupational Health and Safety	Provide awareness guidelines for workplace health and safety including training or awareness session on workplace hazards and mitigation (Annex 5). For activities that will have moderate OHS risk: <ul style="list-style-type: none"> Perform OHS risk assessment and ensure the Workers are aware of the risks and adhere to OHS 					

Issue / risk identified	Mitigation measures	Compliance	Correction measure	Timeline for Correction	Remark/ Comments	Compliance
Labor conditions	<p>guidelines (Annex 5).</p> <ul style="list-style-type: none"> • Apply proper signage to the workspace, as needed. • Provide workers with appropriate PPEs, if needed. • Close the work area from entry, if applicable. • Suppress dust generation where applicable, • Identify working hours, if needed. <ul style="list-style-type: none"> • All project workers will be provided with an employment contract with clear work terms and conditions and setting out their rights under the national labor law, including information regarding their terms and conditions of employment, hours of work, wages, overtime, compensation and benefits, holidays, leaves, etc. and will have the contents explained to them. Workers will sign the employment contract. • All project workers employed for the purpose of the project will be above 18 years. • Maximum working hours for project workers will not exceed forty-five hours a week, unless otherwise stated in their 					

Issue / risk identified	Mitigation measures	Compliance	Correction measure	Timeline for Correction	Remark/ Comments	Compliance
	<p>employment contract in accordance with the Palestinian Labor Law.</p> <ul style="list-style-type: none"> • All project workers will be covered with injury insurance. • The project will ban the use or support of child, forced or compulsory labor. • Selected companies shall develop and implement a grievance mechanism for their workforce including workers who will be employed or trained by the project, prior to the start of any activities. The GM shall include special referral pathways for workers' grievances on GBV and SEA/SH with referral to the PIA's GRM. All workers will be made aware of the workers' GM available at companies. • The selected companies and contracted workers will comply with and implement the project Code of Conduct. The Code of Conduct includes provisions relating to GBV/ SEA/SH, and data privacy. • Grant agreements should include a reference to the project GRM (under IPSD) to be used by beneficiaries/ workers. 					

Issue / risk identified	Mitigation measures	Compliance	Correction measure	Timeline for Correction	Remark/ Comments	Compliance
	<ul style="list-style-type: none"> Attach all relevant annexes to the project agreement. 					
ESS3 E-waste generation and disposal	<p>Include the E-waste management guidelines in all grant agreements.</p> <p>Adopt and implement the E waste management guidelines by the firms.</p>					
ESS4 Community Health and Safety risks	<p>Include the relevant EHS measures in grant agreements- as applicable - including community exposure to communicable disease.</p> <p>Include the relevant measures to mitigate SEA/SH, including code of conduct and GM measures.</p>					
Incident reporting	<p>The grant agreement shall include a reference to promptly notify the PIA of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury.</p>					

Annex 5: Environmental, Health, and Safety (EHS) Measures

(General Guidelines)

It's the responsibility of employers (firm owners) to ensure that their staff are surrounded by as few risks as possible. A guide on EHS and having EHS standards in place will not only ensure a safe workplace and safe and healthy employees but could also lead to improvements in business as well.

Good workplace conditions are also linked to more employee productivity, as employees are more likely to be motivated when they are in a safe environment.

All benefited companies / firms shall comply with the following EHS measures and guidelines:

1. **Measures for Communicable Diseases including outbreaks and pandemics:** There is a number of actions employers shall take to minimise the risk of spreading of infectious diseases in the workplace:
 - Encourage workers to follow the basic personal actions to stop the spread of infectious diseases
This includes:
 - Get immunised against infectious diseases.
 - Ensure hygiene practices (wash and dry hands regularly and well).
 - Stay at home if sick.
 - Cover coughs and sneezes.
 - Provide immunisations to workers (such as the seasonal influenza vaccine.)
 - Provide appropriate protection to staff who, by the nature of their work, may be required to have contact with people who are sick.
 - Keep workplaces clean. Regular cleaning of the workplace environment will minimise the spread of infection by reducing workers' contact with contaminated surfaces.
 - Ensure good ventilation. Enclosed spaces can increase the spread of infectious diseases. Employers should ensure air conditioning systems are well maintained.
 - If the workplace does not have an air conditioning system, open windows regularly to get fresh air circulating.
 - ***Plan for outbreaks and pandemics: firms should consider what extra measures shall be taken to protect workers in a pandemic, and put appropriate plans in place, in accordance with the governmental and WHO regulations.***
2. **Measures for Physical hazards (Ergonomics and Repetitive Motions)** such as neck or back strain, eye strain, repetitive strain injuries, cardiovascular diseases, obesity, stress and mental health.
 - Ensure that workers have the right equipment and tools to perform their job comfortably.
 - Ensure healthy workstations with adjustable chairs, proper keyboard and mouse placement, and adequate lighting.

- Evaluate progress of established corrective action procedures on ergonomic processes to ensure long-term success.
 - Develop office fitness programs that help educate employees about the importance of doing exercises or stretches.
 - Encouraging regular breaks, stretching exercises, and promoting physical activity during work hours.
 - Learn about how to avoid musculoskeletal pain or injury from repetitive or physically awkward tasks.
 - Take breaks as needed.
 - Provide regular eye tests, promoting good eye hygiene, and encouraging employees to take screen breaks.
 - Manage workloads effectively and promoting a healthy work-life balance to minimize stress.
3. **Measures for Electrical hazards:** such as electric shocks or fires if proper precautions are not taken.
- Ensure all electrical equipment is certified and follow all manufacturers' instructions carefully.
 - Thoroughly check for cracks, cuts, or abrasions on cables, wires, and cords.
 - Implement electrical safety protocols and ensuring proper maintenance of equipment.
 - Perform regular fire risk assessments to identify areas at risk of bad wiring and faulty circuits.
 - Unplug appliances when not in use to save energy and minimize the risk of shock and fire.
 - Avoid overloading outlets with too many appliances. Never plug more than one high-wattage appliance in a single power outlet at a time.
 - Place power strips where there is good of air circulation to disperse heat.
 - Do not bind, kink, or knot electrical cords.
 - Never run electrical cords through high-traffic areas, under rugs, or across doorways.
 - Consider having a licensed electrician to install additional outlets where needed, rather than relying on extension cords and power strips.
 - Ensure only competent persons, such as appropriately licensed or registered electricians, carry out repairs to electrical installations. In the case of repairs, modifications, maintenance or servicing, specifically designated workers should carry out such works.
 - In the case of high risk (e.g. high voltage), work should be performed by at least two persons.
 - RCDs (electrical safety devices designed to immediately switch off the supply of electricity when electricity leaking to earth is detected at harmful levels. They offer high levels of personal protection from electric shock): Ensure the particular type of RCD used in the workplace is fit for purpose and maintained and tested regularly.
4. **Measures Fire and safety hazards:** such as faulty electrical equipment, or inadequate emergency exits.
- The company should consider the level of local firefighting capacity and whether equipment is available for use at the facility in the event of a major emergency or natural disaster.

- Ensure the availability of firefighting equipment (fire extinguisher).
- Educate employees about emergency evacuation plan and procedures.
- Medical Services: The company should provide first aid attendants for the facility as well as medical equipment suitable for the personnel, type of operation, and the degree of treatment likely to be required prior to transportation to hospital.
- Every office should have emergency phone numbers:
 - Fire and rescue
 - Doctor and ambulance

5. **Personal Protective Equipment (PPE):** Personal Protective Equipment (PPE) to provide additional protection to workers exposed to workplace hazards.

- Identify and provide appropriate PPE that offers adequate protection to the worker, co-workers, and occasional visitors, as appropriate.
- All workers should use personal protective equipment (PPE). These are devices or equipment designed to be carried or held by a worker to protect him/her against single or multiple risks that may affect his/her health or safety at work.

7. Occupational health and Safety Training (OHS);

Provisions should be made to provide OHS orientation training to all new employees to ensure they are apprised of the basic workplace rules of work at / on the site and of personal protection and preventing injury to fellow employees.

Training should consist of:

- Knowledge of materials, equipment, and tools.
- Known hazards in the operations and how they are controlled.
- Potential risks to health.
- Precautions to prevent exposure.
- Hygiene requirements.
- Wearing and use of protective equipment and clothing.
- Emergency procedures for fire, evacuation, and natural disaster, as appropriate.

Annex 6: Code of Conduct and Business Ethics

مدونة قواعد السلوك وأخلاقيات العمل (تشمل التزام طرفين: صاحب العمل و العمال)

مقدمة

يأتي الاهتمام بمواثيق سلوك وأخلاقيات العمل والتشغيل كأحد مداخل تطوير الاداء للعاملين واصحاب العمل. إن إعداد مدونة قواعد السلوك وأخلاقيات العمل من شأنه تعزيز قيم والممارسات الايجابية في العمل ، وتعد مدونة السلوك إطاراً عاماً يجب على العاملين في المشروع التقيد به والعمل بمقتضاه، فهي مدونة تلقي الضوء على المعايير و الاخلاق والقيم التي يجب أن يتحلّى بها العامل أثناء أداء واجباته، ومن ثم فهي قواعد ستسهم على نحو فاعل في الارتقاء بمستوى جودة الاداء والارتقاء به. إن هذه المدونة تشكل جزءاً من مقتضيات العمل في المشروع بالتركيز على اجراءات الوقاية والسلامة والصحة العامة ، ويجب تطبيقها في كل اوقات العمل وطوال فترة التشغيل، وسوف يتم تزويد كل عامل بنسخة منها، ليقراها ويعمل بموجبها.

أولاً: المبادئ الاساسية لمدونة السلوك وأخلاقيات العمل

إن جودة الاداء ونجاح العمل تتوقف على الالتزام بقواعد السوك العامة وأخلاقيات العمل، والتصرف بطريقة عادلة وصادقة كأفراد مسئولين اجتماعياً انطلاقاً من ايماننا الراسخ بمسؤوليتنا الاجتماعية التي لها أثراً إيجابياً كبيراً على المشاريع التي نعمل بها. ولتحقيق هذا، يجب علينا احترام هذه المبادئ الاساسية:

النزاهة والامانة: الإيمان بتعزيز التصرف بأمانة في جميع العلاقات مع التقيد الصارم بجميع القوانين المعمول بها ، احترام كرامة كل شخص والحفاظ على سلامتهم .

الشفافية: الاحترام المتبادل والحوار والشفافية هي أساس العلاقة مع اصحاب العمل والسلطات ذات العلاقة ، والتي تتوافق مع مبادئ التعاون والصدق والانفتاح.

الموضوعية والاستقلالية: العمل بموضوعية واستقلالية وتجنب أي نوع من أنواع الفساد أو تضارب المصالح الذي قد يؤثر على اتخاذ القرارات المتعلقة بالعمل.

المسؤولية: توفير بيئة عمل آمنة وصحية للعمال ، واحترام الحقوق والتقيد بالواجبات من مقتضى المسؤولية ، واحترام المجتمعات التي نعمل فيها.

ثانياً: قواعد السلوك وأخلاقيات العمل

القسم الاول : الحقوق العامة

- يلتزم العامل بتأدية عمله بإخلاص وأمانة وبالمحافظة على أسرار العمل وأدواته، ويعتبر مسؤولاً عن الأدوات التي في عهده وعليه الحفاظ عليها، وفي حالة وجود ظرف خارج عن ارادته او قوة قاهرة، فان العامل لا يعتبر مسؤولاً عن خلل الأدوات أو ضياعها.
- على العامل أن يلتزم بأخلاقيات العمل والحفاظ على خصوصية السكان والعمال في منطقة العمل، دون الإشتباك معهم أو التسبب بأي أذى لهم بأي شكل كان. ويجب الإمتناع عن المشاركة في أي عنف بدني او لفظي

لأبي من العاملين أو السكان.

- على العامل التقيد بساعات العمل المطلوبة، وكذلك التقيد والإمتثال بالمهام المكلف بها من قبل صاحب العمل.
- على العامل الإلتزام بإجراءات السلامة المتبعة في الموقع، خاصة عند إستخدام الألات الخطرة، وأي إجراءات إضافية يتم طلبها من قبل اصحاب العمل.
- يجب على العامل الإبلاغ فوراً عن أي أمراض مزمنة يعاني منها أو عند الشعور بالإعياء، وعن أي عقاقير يتلقاها العامل.
- الإمتناع عن التسبب بأي نوع من المضايقات سواء اللفظية المباشرة أو غير المباشرة لأي شخص أثناء فترة العمل، وخاصة من فئة النساء والأطفال وذوي الإحتياجات الخاصة.
- من حق العامل أن يوقع عقد عمل مع صاحب العمل على أن يكون باللغة العربية، وذلك لحفظ حقوق العامل، علماً بأن عقد العمل يجب أن يتضمن: الأجر، نوع العمل، مكانه ومدته، ساعات وأوقات العمل، و يجب أن يوقع العقد من قبل صاحب العمل والعامل بحيث يحتفظ العامل بنسخة أصلية من العقد.
- علي صاحب العمل أن يلتزم بالتأمين على جميع عماله عن إصابات العمل لدي الجهات المرخصة في فلسطين.
- يجب أن تتخلل ساعات العمل اليومي فترة أو أكثر لراحة العامل لا تزيد في مجموعها عن ساعة مع مراعاة ألا يعمل العامل أكثر من خمس ساعات متصلة دون تخصيص وقت للراحة.
- التقيد باوقات العمل وتكريس اوقات العمل للقيام بالمهام والواجبات المتعلقة بطبيعة العقد، كما نص عليها عقد العمل.
- على صاحب العمل توفير آلية تظلم للعمال وضمان حقوقهم في تقديم شكوى بشأن التعرض لأي انتهاك او العنف القائم على النوع الاجتماعي(التحرش الجنسي والاستغلال والاعتداء الجنسي)، وفقاً لإجراءات الشكاوي المعتمدة عند صاحب العمل. يجب ضمان حق العامل في التظلم او الشكوى من اي انتهاك لحقه او من اتخاذ قرار خاطيء بحقه.
- يمكن للعامل القائم على مشروع IPSD التواصل مباشرة مع جهات المشروع عبر البريد الإلكتروني التالي: IPSD_Complaints@dai.com، اذا تم انتهاك حقه او اتخاذ قرار خاطيء بحقه. بحيث يجب أن تكون الشكوى مرتبطة بمكونات المشروع وآليات تنفيذه أو إدارته، او من خلال موقع المشروع: <https://ipsd.ps/complaints>

القسم الثاني: حماية حقوق النساء

- معاملة النساء باحترام بغض النظر عن العرق أو اللون أو اللغة أو الدين أو الرأي السياسي أو غير السياسي أو الأصل أو الإعاقة أو أي وضع آخر.
- عندما يكون لدى المرأة العاملة مخاوف أو شكوك فيما يتعلق بأعمال العنف القائم على النوع الاجتماعي من قبل اصحاب العمل او اي طرف ذو علاقة بالعمل، يجب عليها الإبلاغ عن هذه المخاوف وفقاً لإجراءات الشكاوي المعتمدة في المشروع. على ان يتم التعامل مع هذه الشكاوي بخصوصية كبيرة للحفاظ على كرامة المشتكية. يجب على صاحب العمل توفير آليات استيعاب مناسبة لهذا النوع من الشكاوي، بالإضافة إلى آليات إحالة مظالم العنف القائم على النوع الاجتماعي الى مشروع IPSD.
- يجب توفير الحماية للنساء وتهيئة أماكن امنة في العمل للنساء وخاصة الحوامل والتأكد من عدم نقل أي امرأة حامل بشكل غير صحيح، والعمل على ازالة او منع تعرض النساء الحوامل للمخاطر.

- يجب توفير أماكن للنظافة الشخصية لإستخدامها من قبل النساء العاملات بعد الإنتهاء من العمل. وايضا توفير مرافق صحية (دورات مياه) خاصة بالنساء في اماكن العمل، ويجب أن يتم تعقيم هذه الأماكن بشكل يومي.
- يجب تنفيذ لقاءات توجيهية قبل بدء العمل في الموقع للتأكد من أن الجميع على دراية بقواعد السلوك الخاصة بالعنف القائم على النوع الاجتماعي.

القسم الثالث : حماية حقوق ذوي الاعاقات

- يلتزم اصحاب العمل بتهيئة البيئة الملائمة لاحتياجات ذوي الإحتياجات الخاصة وتوفير تسهيلات الحركة والتنقل في اماكن العمل.
- عدم التمييز بحق المعاقين والمعاقات في العمل، واحترام حقهم / هن في اختيار نوعية الاعمال التي تناسب قدراتهم /تهن ، واهتمامهم/هن واحتياجاتهم/هن.
- الالتزام بتوفير خدمات ومرافق صحية مواءمة لاستخدامات ذوي الاعاقة الحركية في مواقع العمل.

القسم الرابع : الصحة والسلامة المهنية

- على العامل التقيد بتطبيق شروط واجراءات الصحة والسلامة العامة الصادرة عن وزارة الصحة الفلسطينية ، والالتزام بقواعد السلامة والصحة المهنية في العمل.
- على صاحب العمل تقديم الإسعافات الأولية اللازمة للعامل في حال الاصابة ونقله إلي اقرب مركز للعلاج.

القسم الخامس : خصوصية البيانات الشخصية والحماية من الانتهاكات الأخلاقية

- يلتزم صاحب العمل (خاصة العاملين في مجال تكنولوجيا المعلومات التي تستخدم الإنترنت ومنصات البيانات الرقمية) باتخاذ كافة الإجراءات اللازمة لحماية خصوصية البيانات الشخصية للعملاء، وضمان حقوقهم في تقديم شكوى بشأن التعرض لأي انتهاك اوالعنف القائم على النوع الاجتماعي(التحرش الجنسي والاستغلال والاعتداء الجنسي). يجب على صاحب العمل توفير آلية للتظلم عن هذه المخاوف وفقاً لإجراءات الشكاوي المعتمدة عند صاحب العمل.

القسم السادس: بند العقوبات والجزاءات

- تتضمن مدونة قواعد السلوك عقوبات لعدم الامتثال لسياسات المشروع واخلاقيات العمل (بما يشمل العنف القائم على النوع الاجتماعي والاستغلال الجنسي والتحرش الجنسي).

Annex 7: Guidelines for E-Waste Management

In accordance with ESS3, the E- Waste Management guidelines shall serve as a guidance document for IPSD Beneficiaries and their employees to meet the challenges for providing a safe, environmentally sound, and unified response for E-waste management. The goal of the E-Waste Management Guidelines is to protect human health and the environment while complying with applicable local regulatory requirements.

Beneficiaries supported by IPSD project shall avoid the generation of e-waste. Where waste generation cannot be avoided, the beneficiaries shall minimize the generation of waste, and reuse, recycle and recover waste in a manner that is safe for human health and the environment. Where waste cannot be reused, recycled or recovered, the beneficiaries shall treat, destroy, or dispose of it in an environmentally sound and safe manner that includes the appropriate control of emissions and residues resulting from the handling and processing of the waste material. All Beneficiaries' personnel involved in any waste management process must read and have a thorough knowledge of the procedures contained within this guidance document.

The IPSD beneficiaries shall use this template as a guide and adapt its content to their individual procedures. Each individual's participation is critically important in making the E-Waste Management reliable, safe, and efficient.

The following guidelines are enclosed with the grant agreements to guide the SME's and Start-ups in environmentally safe disposal of potential direct and indirect e-waste generation related to the IPSD II project activities.

- Any e-waste generated as should be stored in separate containers. The containers should be labelled as "e-waste". Labelling system should be clear and well known to the public and workers to ensue general safety.
- Transportation of the e-waste container should be with special vehicle by special contractor. Before the start of transporting this e-waste, a form should be filled by the generator and transporter indicating the amount of e-waste. A written permission for transporting the e-waste to registered treatment facility should be issued by EQA.
- Transboundary of e-waste is not allowed unless a written permission is issued by EQA.
- E-waste record keeping should be created and checked by ESO from time to time to make sure that e-waste is well managed during project implementation.
- SME's shall refer to EQA and the related municipalities to identify disposal facility at their area.

All workers should be familiar with e-waste warning signs.