



صندوق تطوير وإقراض الهيئات المحلية
Municipal Development & Lending Fund

ANNUAL REPORT 2020

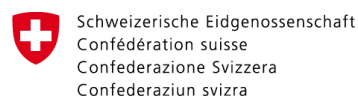


لحياة أفضل



Annual Report 2020

Municipal Development and Lending Fund (MDLF) - Palestine March 2020





Our Vision

Efficient and effective local government units contributing to achieve a better life for citizens

Our Mission

MDLF is a national organization that strives to empower the local government units to implement national programs and projects that are derived from the local government policies by managing the funds for grants and loans.

MDLF Values

Transparency	is	Our policy
Professionalism	is...	Our identity
Accountability	is...	Our strength
Credibility	is...	Our principle
Scientific method	is...	Our approach

Our Strategic Themes

- Empowerment of Local Government Units
- Strengthening MDLF Institutional Development
- Translating the Local Government National Policies to National Programs and Projects

To Our LGUs

It is our promise to demonstrate our persistence to help create more efficient and effective local government units, and improve the lives of our citizens.



Glossary

AFD:	French Development Agency
APLA:	Association for Palestinian Local Authorities
BOD:	MDLF Board of Directors
COA:	Chart of Account
DCF:	Donor Consultation Forum
EC	European Commission
ESMP:	Environmental and Social Management Plan
ESMF:	Environmental and Social Management Framework
EOI:	Expression of Interest
FARV:	Fixed Assets Registration and Valuation
FAO:	Food and Agriculture Organization at the United Nations
FPPM:	Financial Policies and Procures Manual
GD:	Government of Denmark
GIZ:	German Technical Cooperation
GSWMP:	Gaza Solid Waste Management Project
HIMI:	High-Impact Micro- Infrastructure Project
ICUD:	Integrated Cities and Urban Development Project
IFMIS:	Integrated Financial Management Information System
JEDCO:	Jerusalem District Electricity Company
JSCs:	Joint Service Councils
KFW:	German Development Bank
LDP:	Local Development Program
LGRDP:	Local Government Reform Development Program
LGUs:	Local Government Units
MDLF:	Municipal Development and Lending Fund
MIS:	Management Information System
MOLG:	Ministry of Local Government
MOF:	Ministry of Finance
MOPAD:	Ministry of Planning and Administrative Development
NDP:	National Development Plan
PCU:	Project Coordination Unit
PGMIS:	Project Grant Management Information System
PNA:	Palestinian National Authority
PRDP	Palestinian Reform and Development Plan
RHC:	Regeneration of Historical Centres
SDIP:	Strategic Development and Investment Plan
Sida	Swedish International Development Cooperation Agency
SMDN:	Support to Municipal Development for Northern West Bank
TOR:	Terms of References
UPFI:	Urban Project Finance Initiative
WBG:	West Bank & Gaza



Board of Director (BOD)

Mr. Magdi Al-Saleh	Chairman of the Board, Minister of Local Government
Mr. Fadi Al-Sharif	Board Member, Representing Palestinian Monetary Authority
Mr. Faisal Fraihat	Board Member, Representing Ministry of Public Works and Housing
Ms. Laila Sbaih	Board Member Representing Ministry of Finance and Planning
Mr. Ammar Al-Dwaik	Board Member Representing Civil Society Organizations
Dr. Jalal Al-Dabbik	Board Member Representing Engineers Association
Mr. Musa Hadid	Board Member Representing Association of the Palestinian Local Authorities (APLA)
Mr. Jihad Khair	Board Member Mayor of Beit Sahour Municipality (Representing the Municipalities)





Contents

Achievements	7
Executive Summary	9
A Message from the Chairman of the BOD	12
A Message from MDLF Director General	13
Institutional Development.....	14
Programs/Projects.....	19
1. The Municipal Development Program (MDPIII).....	20
2. Area C Development Programme in the West Bank – Package V “EU/DRO Fund”	52
3. Area C Development Programme in the West Bank – Package II “SDC Fund”	65
4. Gaza Vulnerable Communities Development “SDC Fund”	81
5. Strengthening the Resilience of Gaza Vulnerable Communities "GIZ Fund"	92
6. Gaza Solid Waste Management Project (GSWMP)	100
7. Local Government Reform & Development Programme – Phase 2	114
8. Integrated Cities and Urban Development Project (ICUD)	122
9. Multi-site Regeneration Project for Jericho	160
10. Local Government Services Improvement Project (LGSIP)	168
 Success Stories	 199



Achievements

Since the initiation of MDLF with the aim of improving the municipal services and enhancing the municipal performance. We believe that our work contributes to the building of our Palestinian State through improving the quality and quantity of vital services at the Local Government Units. The following are the accumulated accomplishments achieved until the end of 2020:

Roads	<u>1,300</u> <u>40,533</u> <u>35</u> <u>375</u>	kilometers of roads were paved, developed and rehabilitated, lighting units were supplied, kilometers of retaining walls were constructed, kilometers of sidewalks/shoulders were constructed.
Water	<u>158</u>	kilometers of water networks were rehabilitated/constructed ,
Wastewater	<u>204</u>	kilometers of wastewater networks were rehabilitated/constructed,
Electricity	<u>20</u> <u>1,647</u>	kilometers of electrical networks were rehabilitated, pre-paid meters were installed.
Public Facilities	<u>125,674</u> <u>150,894</u>	Sq. meter of public buildings were constructed, Sq. meter of parks and public gardens were constructed.
Solid Waste	<u>18,670</u>	solid waste containers were provided,





Key Achievements 2020

Work Progress:

- A new agreement (totaling EUR 5.8 million) was signed with the EU to support package V of Area C Development Programme through implementing 16 projects in 15 localities.
- A new agreement (totaling EUR 10 million) was signed with EU as a contribution to the 2nd cycle of MDPIII.
- The implementation of the Area C Development Programme funded by the EU, SDC, AFD, DFID, DRO witnessed a noticeable progress on the ground resulting in completing 65 out of 67 sub-projects targeting 50 localities.
- The 2nd phase of the Municipal Development Programme witnessed noticeable progress, particularly the infrastructure component despite the challenges being made by the Covid-19 pandemic.
- MDLF has kept the momentum of implementing the LGRDP II, GVCD, MSR, LGSIP, ICUD, and Gaza Solid Waste Management Project “GSWMP” with a recorded progress on the ground.
- 135 localities in Area C were supported with protective materials and solid waste containers financed by the SDC to respond for Covid-19 pandemic.
- MDLF succeeded to get commitments from WB, Denmark, KFW and AFD totaling EUR 44 million as an additional financing to MDPIII for Covid-19 emergency response, to sustain municipal services through labor intensive activities and supporting the recurrent expenditure.

Disbursement:

- During 2020 the MDLF disbursed nearly US\$ 40.5 million of infrastructure, capacity building and innovative projects to all municipalities in West Bank and Gaza.

Institutional Development:

- MDLF has kept the momentum for IT and systems development.
- The MDLF capacity was developed in terms of equipment, tools, and facilities.
- Job security for MDLF staff has been improved which included incentives and promotions.
- Web application survey was activated and has been effectively used for MDLF communication with municipalities.
- Implementation plans for all MDLF interventions were developed.

Communication and Outreach:

- The MDLF PR activities were implemented in accordance with the updated PR strategy and action plan as much as possible given the COVID-19 pandemic restrictions.
- Online workshops were organized to outreach Mayors and municipalities staff.
- The MDLF Facebook page was activated and a new web portal was finalized to be published soon.



Executive Summary

Our Annual Report for the year 2020 highlights the achievements by the Municipal Development and Lending Fund (MDLF) building upon a history in which it had accomplished hundreds of projects in various sectors worth more than USD 500 million. Our report reveals progress on ongoing and finalized projects to demonstrate our persistence to help create more efficient and effective local government units, and improve the lives of our citizens.

Since it was established in 2005, MDLF has had noticeable achievements in community development as well as reforming the local government sector in Palestine through improving municipal infrastructure services, providing capacity development, and nurturing innovative initiatives at the municipal level.

The core business of MDLF is the Municipal Development Program-MDP, a Multi-phased national program distinguished by the transfer mechanism aimed to enhance the capacity of municipalities through its four components (capital investments, municipal partnership projects, capacity development and program management). MDP is financed by the Palestinian Government along with several Financing Partners (FPs) including the Agence Française de Développement (AFD), the Danish Representative Office-Ramallah (DRO), the Swiss Agency for Development and Cooperation (SDC), VNG International funded by the Dutch Government, the World Bank, the German Government through (KfW and GIZ) and the EU.

An agreement was signed to launch the third phase of the Municipal Development Program late 2017, with an initial financing of USD 110 million which was scaled up to reach USD 145 million. The MDP supports the national policy agenda in a coordinated and structured manner, with a single system of funds allocation, standard project selection criteria and standard implementation mechanism based on procedures developed by the MDLF and cleared by MDP-DPs.

The year 2020 was challenging for MDLF to maintain the work progress as usual due to the government restrictions for movement and social distancing measures to contain the spread of Covid 19. However, MDLF kept the momentum to follow up the implementation using all means of communication.

As for the infrastructure component, the sub-projects under the 1st cycle were nearly accomplished except for 5 out of 353 sub-projects which are still undergoing and 3 sub-projects to be tendered. As for the 2nd cycle sub-projects, 306 out of 490 were either completed or ongoing, 76 are under tendering and evaluation of bids, 65 were approved and 13 are still under appraisal.

On the other hand, the municipalities' capacity development packages were well identified and communicated with the target municipalities for both cycles. The TORs for the capacity development packages were updated and shared with development partners and the procurement arrangements has started. However, the implementation progress has been negatively affected due to the longevity of COVID 19 pandemic putting restrictions on the planned activities related to MDP3 capacity development packages.

MDLF has been implementing set of packages for Area "C" development programme in the West Bank funded by the EU, Denmark, AFD, DFID and the SDC with total financing EUR 19.3 million. The programme aims to improve the social and economic conditions of Palestinian communities in Area C which is crucial for maintaining Palestinian presence in Area C and for the development of the Palestinian economy. Despite numerous challenges been faced on the ground including Israeli stoppage and lack of capacity of the target village councils, the implementation of the social infrastructure in Area C witnessed a noticeable progress. Since 2015, a total of 65 out of 67 projects were successfully completed targeting around 66,000 inhabitants. The EU packages were evaluated satisfactorily with a clear recommendation to build upon the success achieved and to be replicated in other marginalized communities across the West Bank.



More specifically, during the reporting period, the MDLF closed up the 2nd and , 3rd and 4th packages funded by the EU, DRO through the EU, and AFD/DFID through the EU respectively. Furthermore, the 2nd cycle of projects financed by the SDC has been progressing with a completion of 7 projects in 5 localities. Moreover, MDLF has kept the momentum in implementing the ongoing Programs/Projects in Gaza including the Gaza Solid Waste Management Project (GSWMP) funded by the World Bank, Sida, AFD and EU. The projects is considered one of the biggest investment in Palestine aiming at improving the solid waste management services in Gaza Strip.

Also, the MDLF has been diligently working on implementing the Gaza Vulnerable Communities Development programme funded by the SDC, a project which was designed to improve the provision of basic services to the marginalized populations in Gaza Strip. The partner NGO was contracted to conduct the community mobilization activities at the municipal and the community levels with a noticeable achievements recorded during the reporting period regarding the awareness of public communities on social accountability. Most importantly, the GIZ joined the Gaza vulnerable programme by topping up the services delivery component aiming at supporting the resilience of those marginalized communities with basic services. The sub-projects which were identified in a participatory manner, are either ongoing or completed with some delays due the Covid-19 pandemic and the Israeli restrictions on entering the imported material to Gaza, in particular the water pumps and the steel pipes for the GIZ interventions. Both SDC and GIZ agreements were amended to recover the uncontrolled delays and to allow for successful completion of the interventions. It is expected to complete the SRGVC by end of March where as the GVCD is planned to be completed by end of June 2020. It is worth noting that both projects are currently under evaluation and the findings will be presented in a policy roundtable planned by June 2020. During the reporting period the Integrated Cities for Urban Development (ICUD), a program that enhances the institutional and technical capacities of the selected urban areas for planning a sustainable urban growth, was subject to critical challenges where the COVID-19 pandemic emergency puts its shadows on many Project activities. Working with targeted LGUs becomes challenging because of the frequent look down and restriction on movement which interrupt the work of the municipalities and overwhelmed them with services for emergency and sanitation, in addition to restriction for both internal and external international flights. A virtual mission was carried out during the period (April 05-10, 2020), it was concluded that the action plan and timeline will continually be adjusted as the situation evolves. During this period of limited government operations, the PIU will focus on maintaining the progress under ongoing activities where possible and develop future activities to be implemented upon resumed full government functioning.

The second phase of Local Government Reform Development Programme (LGRDP II) successfully completed; the projects were either handed over as planned.

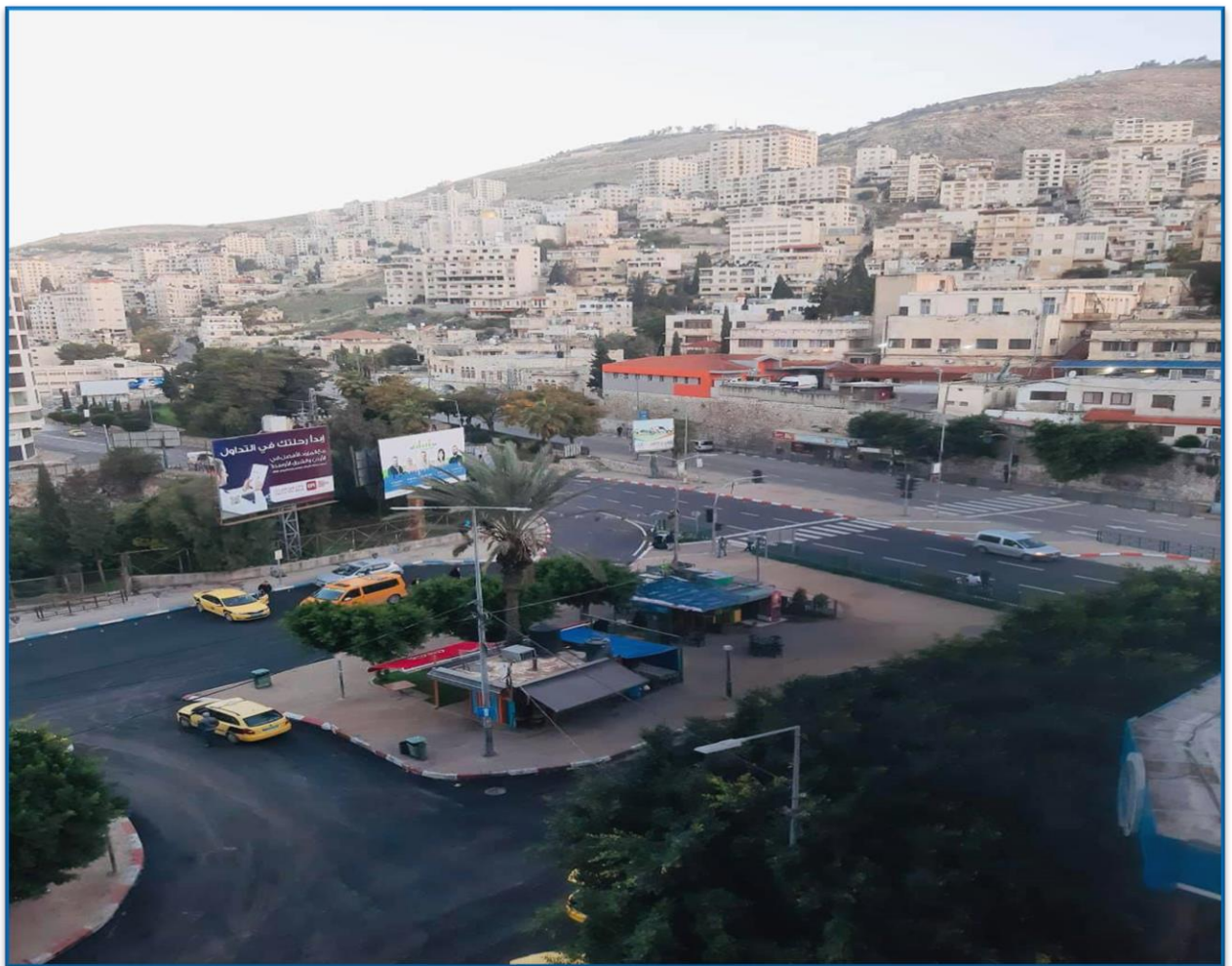
On the other hand, Jericho received a distinct attention with a project designed to address some of its core functions¹. The Multi-site Regeneration Project for Jericho aims at enhancing the economic development of the city through the process of “re-localization and rehabilitation” of key infrastructures. The project has started since April 2017 with some progress concluded by signing the work supervision contract as well as the signature of the municipal garage work contract with some delays encountered the institutional arrangements and capacity development. In the end the municipal garage was completed in 2019 and is functional, however the bid for slaughterhouse was not awarded subject to retendering with reducing the scope of work to fit with the available budget.

¹ The rehabilitated infrastructures are the slaughterhouse, the Spanish Garden, and the Municipal garage, all of which shall contribute to support the main city's economic activities (tourism and farming).



Additionally, the Local Governance Services Improvement Programme “LGSIP” comprises of delivering infrastructure at the village level and the Joint services councils, is progressing. The LGSIP exceeded its target in terms of number of eligible VCs (76.4% vs 70%) and the # of approved joint projects for JSCs (26 vs 18). There has been timely communication to VCs of the formula based Annual Capital Investment Grant, and the implemented projects were positively perceived by its’ beneficiaries (74% of beneficiaries stated that the projects are very relevant to their needs, 16% stated that the projects are somewhat relevant to their needs).

This report presents the progress of MDLF programs and projects during 2020 highlighting the key challenges and lessons learnt throughout the implementation. We would like to thank you for your continued support of our actions to assure the success of our Programs.





A Message from the Chairman of the BOD

As a Minister of the Local Government, and as the Chairman of the Board of Directors of the Municipal Development and Lending Fund “MDLF”, it is with great pleasure to present the MDLF Annual Report for the year 2020. MDLF is one of the leading national institutions; it has been contributing towards developing the State of Palestine through enabling Local Governance. MDLF strives to improve services delivery, achieving sustainable development, and promoting municipal efficiency and accountability.



The MDLF concluded one more successful year despite the challenges being faced worldwide as a result of the spread of Covid-19 pandemic and its implications on the global and local economy. During 2020, the MDLF kept the momentum of implementing its portfolio and addressed issues which included infrastructure work and capacity building activities. During 2020, the 2nd cycle of Municipal Development Program “MDP”-phase 3 was launched with satisfactory progress and accomplishments in the field considering the implementation challenges in the context of COVID-19 pandemic .

We believe the first step towards improving municipal services is having a well-managed and more accountable local government units. The cornerstone of MDP is the way it links the municipal infrastructure allocations with the municipalities’ performance. MDP provided technical capacities to the municipalities in aspects of operation and maintenance, planning and financial management, among many others.

Ever since the “MDLF” Law was passed by H.E. President Mahmoud Abbas, the status of MDLF has summited. We value MDLF’s full alignment with the national policies and agendas established as part of the overall efforts meant to ensure reform, transparency, and efficiency, which are crucial to develop a viable, sustainable Palestinian state. The Palestinian Government has always focused on integrating local economic development and the inclusion of vulnerable communities within its policies, agendas, and strategies; both pillars are successfully addressed by MDLF interventions.

It is worth noting that all these achievements would not have been reached without the full support and commitment of H.E the President and the Central Government headed by H.E the Prime Minister Dr. Mohammad Shtayyeh towards the development of the local government sector. On behalf of the Palestinian government, and in my capacity as the Minister of Local Government, I would like to extend my sincerest appreciation to our development partners’ support which made our achievements possible.

Eng. Magdi Al-Saleh

Chairman of the Board of Director,

Minister of Local Government



A Message from MDLF Director General

2020 marked a year when the MDLF ventured into new territories, trying new approaches while remaining faithful to its primary obligations. We focused on our strengths, improved our operational performance thus achieved promising outcomes. We carried our success while bearing in mind having a responsibility towards our municipalities and the needs of our local society. These issues were all considered in the MDLF new strategy (2017-2021) which was endorsed by the Board of Directors, under which all MDLF interventions were clearly identified towards achieving MDLF objectives.



The core business of MDLF is the Municipal Development Program “MDP”, a ground-breaking initiative aimed towards the development and reform of the local government sector. Designed by the Municipal Development and Lending Fund (MDLF), guided by the Central Government, the MDP recognizes that the first step towards improved municipal services is preparing well-managed and more accountable local government units. In 2020, the MDLF has proudly spent US\$ 40.5 million in various programs, projects, workshops and initiatives under the MDP, as well as other MDLF programs.

In 2020, the MDLF was committed to continue its services with full capacity despite the challenges of COVID-19 pandemic keeping the momentum of implementing its activities by using all possible means including the virtual and face to face communication (as much as possible). More progress was achieved in the infrastructure component whereas the implementation of capacity building activities was delayed due to its nature where the government measures for lock down and social distancing hindered the implementation of the plan for 2020.

On the other hand, the MDLF succeeded to get commitment from Denmark, World Bank, KFW and the AFD for additional financing to the current Municipal Development Program-phase 3 as an emergency response to combat the impact COVID-19 pandemic on municipal services.

Furthermore, the MDLF is proud to be one of the few national organizations who dared to work in Area “C” in the West Bank. The programme has been implemented since 2015 and financed by different donors (EU, SDC, DRO, AFD, DFID). Despite the challenges hindered the implementation of infrastructure projects in Area C, MDLF has been implementing several projects with a total financing (EUR 19.3 million) targeting 67 localities which are considered the most vulnerable among the West Bank localities.

MDLF kept the momentum with the implementation of the Gaza Solid Waste Management Project (GSWMP), the 2nd phase of the Local Government Reform Development Programme (LGRDP II), as well as the Local Governance Services Improvement Program (LGSIP) aiming at strengthening the local government financing system and improve local service delivery in program villages as well as the "Multi-site Regeneration Project for Jericho, Palestine" Project aims at enhancing the economic development of the city through the localization and rehabilitation of key infrastructures.

Additionally, several new programs which expanded our realm of influence were launched. This included the fund from the GIZ to support the vulnerable communities in Gaza Strip through joining the ongoing programme “Gaza Vulnerable Communities Development- GVCD” funded by the SDC.

I would like to express my appreciation to all of our partners who supported MDLF mission towards a successful 2020. Also, I would like to thank H.E. Eng. Magdi Al-Saleh, Minister of Local Government and chairman of the board of directors, as well as MDLF staff and employees, for all the hard work they have contributed. I would like to express my appreciation for our financing partners for their full and continuous support, the municipalities and local government units who worked closely with MDLF for the benefit of the Palestinian people.

Mohammed Al-Ramahi
General Director



Institutional Development

✓ MDLF Strategic Dimensions (2017 – 2021)

Approach and Methodology

At the beginning of 2017, a new strategy for MDLF was developed for the years 2017-2022 taking into account the achievements of MDLF during the previous years and bearing in mind the lessons learned from the multi-dimensional interventions concerning the local government sector development. An outsourced consultant -who was contracted by the GIZ for the benefit of MDLF- followed a clear approach to develop/update the MDLF strategy as follows:

- Desk review of relevant documents provided by MDLF (previous strategic plans, external evaluation reports, annual reports, internal audit reports, projects documents, monitoring and evaluation reports, citizen satisfaction survey reports, municipal ranking reports, programs concept notes and other relevant literature including the 2017-2022 draft local government sector strategy);
- Interviews with members of the Board of Directors, MDLF executive director, manager of operations, heads of departments and some staff to solicit their opinions on progress, obstacles and areas for improvement; in addition to interviews with other stakeholders including: Minister of Local Government the chairman of the MDLF's Board of Directors, Deputy Minister of Local Government, Deputy Director General of Joint Services Councils directorate mayors of Ramallah and Bethlehem Municipalities, representatives of the donor agencies;
- Focus group sessions with representatives of West Bank and Gaza Strip municipalities.
- The process included an open discussion session with the MDLF management team held prior to finalizing the strategic plan update.
- The process involved soliciting information from the key stakeholders related to their satisfaction level of the MDLF's performance, challenges faced, future needs, and areas of recommended improvements to be included in the updated strategic plan of 2017-2022.
- The process included a three-day strategic planning workshop which was held during the period of January 12nd – January 14th , 2017 and followed by small group discussions at more of operational level to produce the operational plan.

The methodology for preparing the strategic plan of MDLF relied on a comprehensive approach to analyze the internal and external environment of MDLF, shown in in the figure below which illustrates a summary of the approach and steps followed in preparing the five-year strategic plan of MDLF.

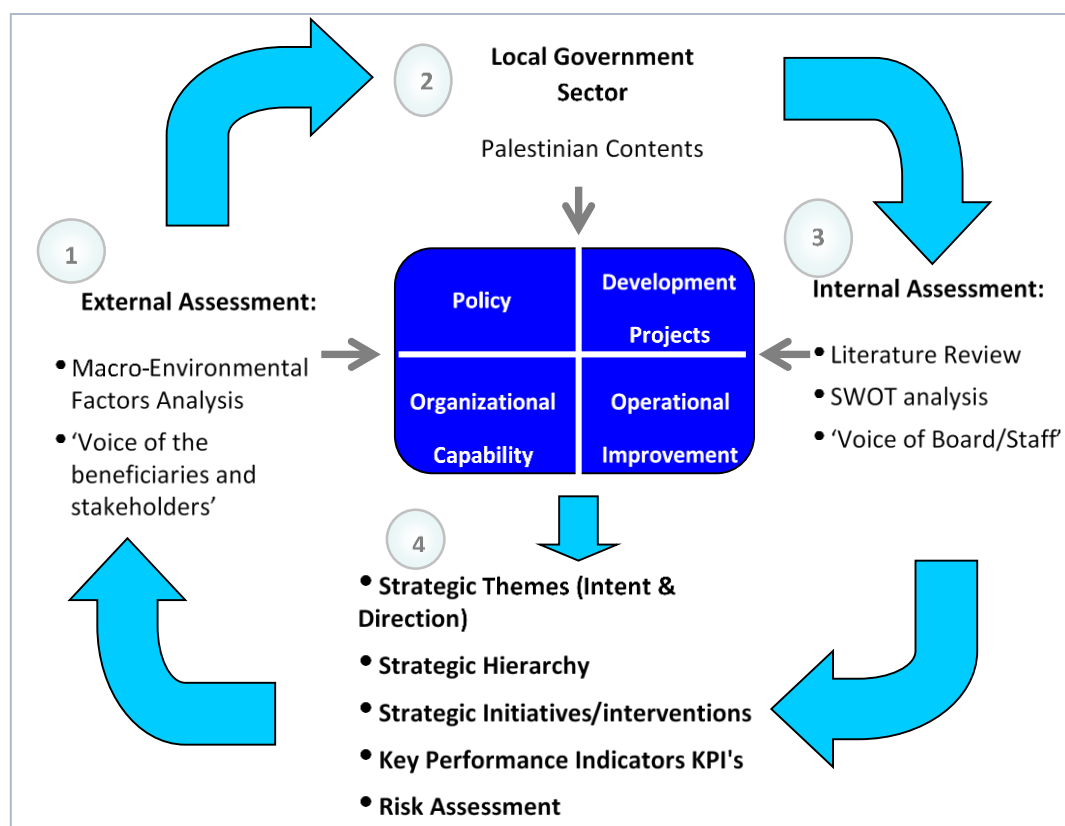


Illustration of approach for SP update (2017-2021)

Assessment (Diagnostic) of MDLF was carried out through three main sources:

- Results of the overall environmental scanning covering MDLF's internal and external environment with an overview of its *Organizational Capacity*. The purpose is to explore the *Strengths* and *Areas for Improvement* that do exist within the internal environment of MDLF as well as the *Threats* and *Opportunities* facing the organization in its external environment, and use these as *organizational* learning with forward-looking approach to determine how to maximize the impact of MDLF, thus serving as main inputs into the five-year strategic plan (2017 – 2021).
- Further follow-up sessions with senior managers including the Executive Director to solicit their opinions on the results of the evaluation particularly vis-à-vis the Strengths and Weaknesses as identified by the overall evaluation.
- The results of the assessment (diagnostic) report was shared with the Board Members for their review. The key findings, SWOT analysis, and the strategic framework were presented and discussed with the Board of Directors who endorsed the strategic framework for the 2017-2021 strategic plan.

MDLF Strategic Themes and Objectives:

Based on the understanding of MDLF's Strengths, Weaknesses, Opportunities and Threats in the current environment of the organization, the Board of Directors, the Management and staff at MDLF will continue in the next five years to scan the environment, assess and deepen their approaches to the work and the various interventions. Simultaneously, MDLF will continue assuming its leadership role in managing the funds (grants and loans) to empower the local government units to implement the national programs and



projects and will explore the possibility of actively engaging all relevant bodies and stakeholders in its programs. MDLF will explore all possible means to achieve sustainability to achieve its stated mission and goals. It will identify and ensure best practices in the design, delivery and monitoring of its programs and services, including the conduct of needs assessments, effective and efficient design of the programs, and the setting of appropriate measures and techniques with particular reference to measuring the impact of its work. Among other strategic choices, MDLF will continue working to achieve the following strategic themes and objectives:

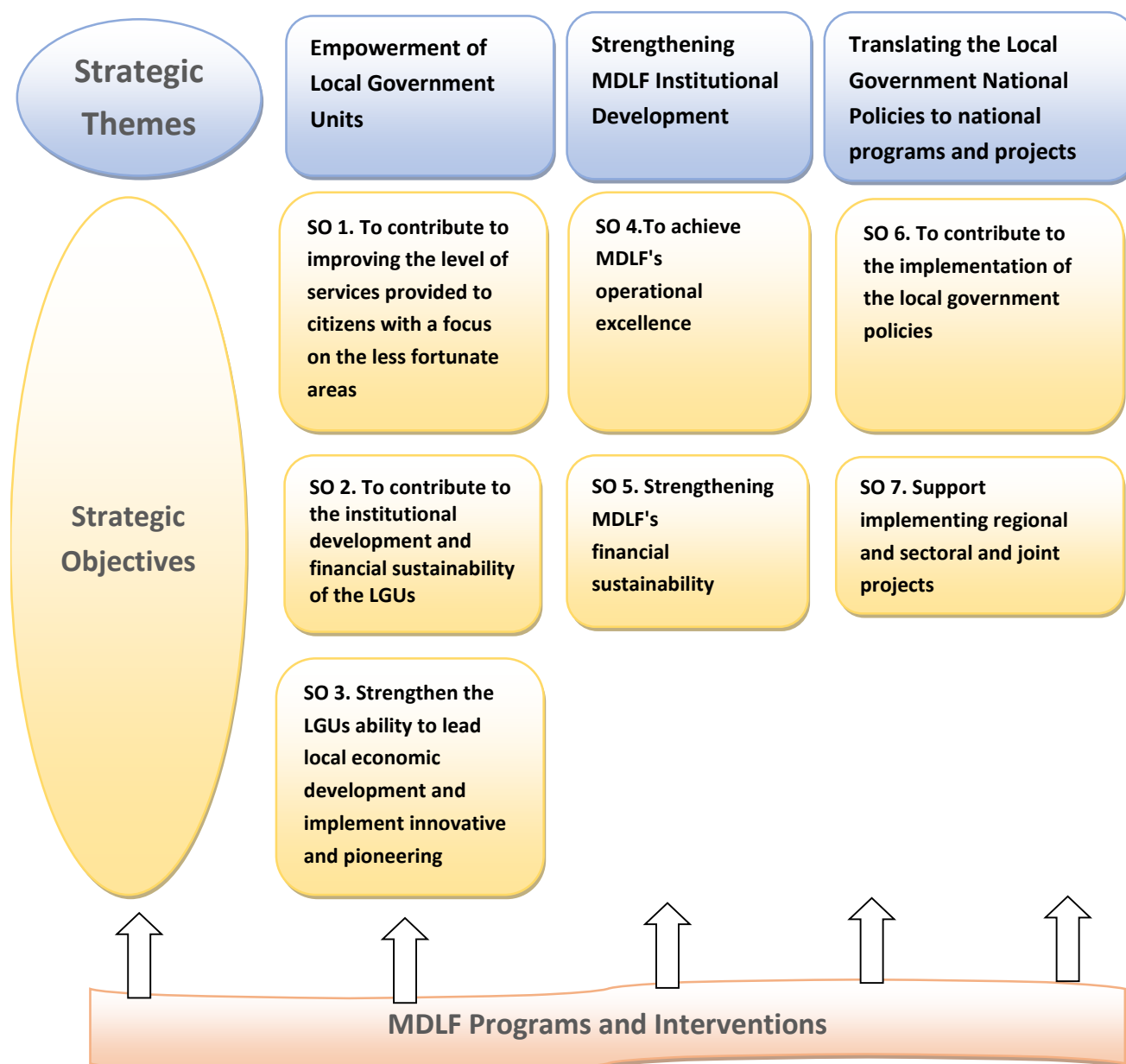


Illustration of MDLF Strategic Themes and Strategic Objectives (2017-2021)



✓ Outreach and Communication

MDLF prepared a communication plan for 2020 to share its vision, goals, and activities with the Palestinian municipalities, its partners as well as the public. The plan served as a guide for media and public relations activities in which MDLF engaged throughout the year 2020. Various outreach models were taken into consideration in order to establish dialogues and linkages with various institutions or groups, including presentations, meetings, and applying communication products.



MDLF promotional and media coverage:

Throughout the year 2020, MDLF issued different materials in-print including an informative brochure in Arabic and English about MDLF and MDP III, the updated Strategic Plan, the Annual report 2019 and the semiannual 2020, and number of press releases for all MDLF activates and events.

MDLF also used audio and video tools, to create documentary films that promoted MDLF and MDP Achievements as a core business of MDLF. Other promotional short spots were made covering in a simple way the work of MDLF. These tools were published on MDLF website, YouTube and Facebook. A specific web page was also launched for the movie to reach larger audience. Additionally, MDLF used social media platforms that house posts and feature stories related to the MDLF activities and number of Ads and news announcements in local newspapers.

Events and workshops:

As part of our belief in creating direct linkages and opening communication, channels with our beneficiaries' number of signing agreements, meetings and workshops were held.

Several events like signing grants with our Funding Partners, such as signed an agreement with The European Union and the Palestinian Authority, with a value of €10 million to build 30 social and public infrastructure projects in Gaze Strip under the MDPIII.



Another agreement with The European Union, Denmark and Palestinian Authority, totaling EUR 5.8 million was signed for package V of Area C Development Programme in the West Bank .

Furthermore, number of meetings and workshops were held some of which were held virtually while the others were face to face meetings. The orientation and training workshops were particularly related to MDPIII- Cycle 2 for West Bank and Gaza Strip Municipalities, and the “Social Accountability”. Additionally, MDLF organized a fun day activity for kids as part of the EU-funded project for Area C Development.



Field Visits & Meetings: During 2020, MDLF specially focused on reaching out for the municipalities in the West Bank and Gaza, headed by the MDLF executive staff. MDLF visited numerous municipalities and their projects to be able to get direct feedback on MDLF interventions.

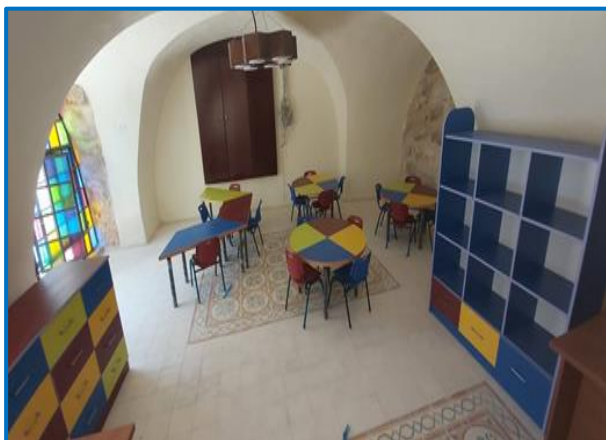
Receiving Missions: Throughout the year 2020, MDLF conducted number of virtual mission and also received several missions from different international and national organizations working in the field of local government. The missions received an introduction about the work carried out by MDLF, especially focusing on MDP III, with the aim of promoting a collaborative approach.





MDLF Programs / Projects

- ✓ 1: Municipal Development Program – Phase 3 (MDPIII)
- ✓ 2: Area C Development Programme in the West Bank – Package V “EU-DRO Fund”
- ✓ 3: Support to Area C – Package II “SDC Fund”
- ✓ 4: Gaza Vulnerable Communities Development “SDC Fund”
- ✓ 5: Strengthening the Resilience of Gaza Vulnerable Communities "GIZ Fund"
- ✓ 6: Gaza Solid Waste Management Project (GSWMP)
- ✓ 7: Local Government Reform & Development Programme – Phase 2 – (LGRDP II)
- ✓ 8: Integrated Cities for Urban Development (ICUD)
- ✓ 9: Multi-site Regeneration Project in Jericho
- ✓ 10: Local Government Services Improvement Programme (LGSIP)





1. Municipal Development Program (MDP III)

1.1 Introduction

The Palestine Liberation Organization, for the benefit of the Palestinian National Authority (PNA), has received a financing of €130.6 from the World Bank-International Development Association (IDA), the Government of Germany through “KFW and GIZ”, Denmark, SDC, VNG, EU and AFD towards the cost of the 3rd phase of the Municipal Development Program (MDP III).

The MDP III is aligned with the PA's long-term strategy to consolidate and strengthen service delivery in the local government sector towards financially sustainable LGUs, as specified in the MoLG's Sector Strategy 2017-2022.

The MDP III is at the center of a series of interlocking interventions by the multi donors in collaboration with the central government to strengthen the institutional development, accountability and financial sustainability of local governance and service delivery in Palestine.

The MDP III will consolidate and scale up past gains under MDPI and MDPII in municipal performance and accountability enhancement and will start enabling the environment for municipal partnerships with the private sector to improve the efficiency and sustainability of municipal services.

1.2 MDP III Description

A. PDO

Enhance the institutional capacity of municipalities in the West Bank and Gaza for more accountable and sustainable service delivery.

B. Project Beneficiaries

The participants of the project are all municipalities in the West Bank and Gaza. The beneficiaries are the populations in all of the municipalities, which is estimated to 3, 611,649² representing 75% of the total population of West Bank and Gaza¹.

C. Project Components

Component 1: Municipal performance and Service Delivery. MDPIII is the third municipal development project to support and incentivize improvements in the development of municipal management capacity. Previous MDPs financed municipal infrastructure and service delivery through the provision of a basic block and performance-based grants and provided demand-driven capacity development support for municipalities. This approach was very innovative at design and has shown to be highly effective. The proposed MDP III would continue this overall approach while focusing more on improving financial sustainability and accountability in municipal service provision. Like MDPI and MDPII, municipal performance will be measured through Key Performance Indicators (KPIs), yet these have been substantially revised to reflect a greater focus on the sustainability of municipal services. Performance measurements will encompass three main areas for reform: i) Financial Performance and Sustainability, ii) Institutional Performance, and iii) Transparency, Accountability, and Participation.

Component 2: Capacity Development. This component of the project would continue to strengthen municipal capacity in the project's three performance areas: (i) financial sustainability, ii) institutional performance and iii) transparency, accountability and participation. Also, specific attention will be paid to

² Based on Palestinian Central Bureau of Statistics predicted populations for 2016.



higher-order needs of municipalities that will enable them to improve their financial sustainability and creditworthiness, strengthening other core municipal functions as well as strengthen their social accountability to their citizens and stakeholders.

Municipal capacity development activities will continue to be identified by municipalities and MDLF to enable municipalities to achieve results and improve their performance. The performance measuring system will be applied to identify relevant capacity building activities to the municipality, which will be delivered to improve capacity and sustain results achieved.

Component 3: Municipal Partnership Projects. This component will provide technical assistance and project financing to municipalities to a) engage more effectively with the private sector, and b) work across administrative boundaries to develop joint and/or innovative investments for municipal service delivery and local economic development. The Bank will finance only the technical assistance portion under Sub-component A.

- **Sub-Component A: Private Sector Partnership Support.:** To better leverage private sector engagement, this component will support municipalities to identify, develop, and structure opportunities for private sector participation in municipal service delivery and local economic development on a demand-driven basis.
- **Sub-Component B.** This sub-component will finance top-up payments complementary to the grant allocations under component 1 to incentivize municipal joint and/or innovative investments based on municipal demands to leverage economies of scale for municipal investments and facilitate financially sustainable municipal investments.

Component 4: Project Implementation Support and Management. This component will finance goods and consultant services for monitoring and evaluation, outreach and communication and local technical consultants for the engineering supervision of Component 1 and the MDLF management fee.

Component 5: This component will finance the costs associated with the scaling-up of MDP-3 support to Gaza municipalities to enable them to expand local services provision through labor-intensive Operation and Maintenance (O&M) and municipal infrastructure development activities.

1.3 Financing Partners Contributions

The MDP III is supported by the Palestinian National Authority along with the Agence Française de Développement (AFD), the Danish International Development Assistance (DANIDA), the World Bank, the German Government through (KfW and GIZ), the Netherlands (through VNG International) and the Switzerland (through SDC) and the European Union "EU". **Table 1** below illustrates the list of financing agreements and the contributions of financing partners for MDPIII.

Table 1: List of MDP III Signed Agreements

Donor	Fund Amount	Signature Date	Completion Date as per the Agreement	Notes
GIZ Agreement (for cycle 1)	€ 150,000	December 5 th , 2017	December 31 st , 2018	This fund will be utilized in the MDP III-1 st cycle. The GIZ contribution to MDP III-Cycle 1 was added as an amendment to the LGRP.
GIZ Agreement (for cycle 2)	€ 600,000	December 1 st , 2019	November 30 th , 2021	This fund will be utilized in the MDP III-1 st cycle.
KfW Financing Agreement (for cycle 1 & cycle 2)	€ 40,000,000	December 12 nd , 2018	December 30 th , 2022	This fund will be divided equally for the MDP III-1 st cycle and the MDP III-2 nd cycle.



Donor	Fund Amount	Signature Date	Completion Date as per the Agreement	Notes
AFD Financing Agreement (for cycle 1)	€ 4,000,000	April 26 th , 2017	December 31 st , 2021	This fund will be utilized in MDPII-1 st cycle
World Bank Agreement (for cycle 1 and cycle 2)	\$16,000,000	September 18 th , 2017	February 28 th , 2022	This fund will be utilized in both cycles of MDPII
Multi-Donor Trust Fund Agreement (for cycle 1 and cycle 2)	\$ 20,000,000	November 27 th , 2017	February 28 th , 2022	This fund will be utilized in both cycles of MDP III
SDC Agreement (for cycle 1 and cycle 2)	€ 4,818,000	November 1 st , 2017	December 31 st , 2021	This fund will be utilized in both cycles of MDP III
VNG Agreement (for cycle 1 and cycle 2)	€ 1,200,000	October 2017	December 31 st , 2020	This fund will be utilized in both cycles of MDPII
AFD (Financing Agreement for Cycle 2)	€ 10,000,000	June 17 th , 2019	December 31 st , 2022	This fund will be utilized in cycle 2
Multi-Donor Trust Fund Agreement (Additional Financing for cycle 2)	\$ 5,000,000	June 17 th , 2019	February 28 th , 2022	This fund will be utilized in cycle 2
WB Additional Financing for Gaza	\$ 10,000,000	June 17 th , 2019	February 28 th , 2022	This fund will be utilized in cycle 2
EU commitment for Cycle 2	€ 10,000,000	Not yet signed	Not Yet Signed	This fund will be utilized in cycle 2

Additionally, the PA contribution was committed as 10% of the total fund plus the residual fund from the PA from MDPII. Furthermore, the saving from the (AFD-MDPII) in the amount of **Euro 875,000** was agreed with the AFD to be invested in window 1 of the MDP III– Cycle 1.

The total cost of the MDP III reaches €130,609,490 from which €51,049,082 million will be invested in the 1st cycle, and €79,560,408 will be utilized for cycle II.

Table 2: Distribution of MDP3 Financing by Donor per Component

Financing Partner	MDP3 -Cycle 1	MDP3-Cycle 2	Total (EUR)	Percentage
WB	7,443,245	6,685,144	14,128,389	11%
WB additional financing to Gaza (labor intensive municipal services)	0	9,400,000	9,400,000	7%
KFW	20,000,000	20,000,000	40,000,000	31%
AFD	4,000,000	10,000,000	14,000,000	11%
AFD residual from MDPII	875,000	0	875,000	1%
MDTF	9,548,956	8,140,918	17,689,874	14%
MDTF (additional financing)	0	4,136,000	4,136,000	3%
GIZ	150,000	600,000	750,000	1%
PA	4,493,800	6,118,426	10,612,226	8%
PA-residual Fund	1,500,000	1,500,000	3,000,000	2%
VNG	600,000	600,000	1,200,000	1%
SDC	2,438,081	2,379,919	4,818,000	4%
EU - VAT exempted	0	10,000,000	10,000,000	8%
Total	51,049,082	79,560,407	130,609,490	100%



1.4 The Grant Allocation Mechanism “GAM”

The Grant Allocation Mechanism is the most important element of the MDP. A performance-based formula has been used in conjunction with infrastructure grants in Palestine. Grant Allocation Mechanism (GAM) concept for MDP III is based on the revised and updated GAM of MDP II. The concept aims at changing contents and procedures gradually and as far as justified by challenges identified in the stakeholder assessments, while maintaining proven features. The MDLF and the Financing Partners agreed that the allocation formula for MDP III will be as follows:

- **50% of the total component 1 financing would be allocated for the block grant**

The block grant will be allocated based on population (40%) and needs (60%). All municipalities will receive block grants, subject to simple eligibility criteria. Regarding the needs, it consists of a flat rate of 25.000 € (no change compared to MDP II), and a remaining needs allocation will be distributed based on existing infrastructure and access to services³).

- **50% for performance:**

(equal to MDP II), but with modified key performance indicators (21 KPIs for MDP III- vs. 16 KPIs for MDPII) and with modification on the graduation ladder.

In regards to the graduation ladder as well as the key performance indicators, and after having long discussions between MDLF, MOLG and the Funding Partners, it was agreed that the graduation ladder will be 10 levels (D, C, C+, C++, B, B+, B++, A, A+, A++) as illustrated in **Table 3** below. Within each ranking level (D, C, B, and A) specific key performance indicators were identified which reflect the municipal performance in:

- Financial Performance and Sustainability (FPS)
- Institutional Performance (IP)
- Transparency, Accountability, and Participation (TAP)

³ Under MDP II, the remaining needs share after the flat rate was attributed to 50% according to infrastructure equipment and to 50% according to household income data on governorate level. PCBS is presently not updating the governorate based household income data, so there is no recent database available and the link to poverty on the municipal level is weak.



Table 3: Key Performance Indicators for MDP III

I. Basic Grant allocated based on population and needs				
Eligibility Conditions	i. Annual Budget approved by the Municipal Council and submitted to MoLG on a timely basis ii. SDIP prepared according to new Guidelines (from year 3)			
II. Performance Grant. The grant allocated to municipalities based on performance according to KPIs				
Categories	D	C	B	A
No. of KPIs	3 KPIs	6 KPIs	6 KPIs	6 KPIs
Graduation	Compliance of 3 KPIs	C: compliance of 2 out of 6 C+: compliance of (3,4) out of 6 C+: compliance of 5,6 out of 6 In addition to the KPIs in rank D	B: compliance of (2) out of 6 B+: compliance of (3,4) out of 6 B++: compliance of (5,6) out of 6 In addition to the KPIs in rank D & rank C	A: compliance of (2) out of 6 A+: compliance of (3,4) out of 6 A++: compliance of (5,6) out of 6 In addition to the KPIs in rank D & rank C and rank B
Performance Areas	Key Performance Indicators Matrix			
Financial Performance and Sustainability			7. At least 10% of the budget execution for O&M a) O&M expenditure > 10% of total operational expenditure in last complete FY	1.O&M Plan in place a) Computerized plan in line with manual b) Annually updated c) Plan consistent with assets registry and new works and services d) The plan includes institutional development
		13. Year on year increase or > 50 NIS own-source revenues (excluding enterprise revenues) a) Own source revenues (see manual) have increased compared to previous FY or reached 50 NIS per capita	8. Operational Surplus achieved a) Operational expenditures are below operational revenues of the last complete FY	2. Staff Costs <45% WB <70% GZ of Operational and Capital expenditure a) Total staff expenditure operational budget <45% (WB) or <70% (Gaza) of total expenditure operational budget in last complete FY
	19. Separate bank Accounts for Enterprise revenues established a) Bank statements showing that separate bank accounts are opened and in use.	14. Separate financial accounting for enterprise revenues and expenditures established a) Executed enterprise budget of last FY with an income statement and bank reconciliation (if any enterprise activities)	9. No increase in net lending a) No increase in net lending according to MoF data b) Administrative reduction of net lending has not been counterbalanced by an increase in net lending	3. Cost Accounting Systems set up a) financial statement for each fund in the last complete FY b) report for each cost center of enterprise fund in the last complete FY c) documented and justified overhead allocation in the last complete FY



Institutional Performance	20. Financial Accounting Policies and Procedures in place a) two last quarterly reports available and conforming with minimum content according to manual	15. Executed Budget Statement for the previous FY submitted to MoLG on time a) An executed budget covering complete fiscal year (January – December) available b) MoLG informs MDLF	10. Unqualified Audit Opinion from Annual external audit a) Audit report satisfactory concerning items listed in the manual b) The audit follows up previous management letters and municipality has addressed issues raised adequately	4. IFMIS implemented a) system is conforming to minimum requirements (see the main manual) b) timely issuance of last two quarterly reports within one month after the end of the reporting period
		16. Fixed Asset Register in place and updated a) Fixed asset registry set up according to manual b) Fixed asset registry has been updated annually	11. At least 70% Budget Execution a) Operational revenues executed > 70% of budget plan b) Operational expenditure does not exceed planned operational revenues, except covered by executed revenues	5. Green Spaces implemented a) maintained green areas, sports areas, playgrounds and parks (source PCBS) > 0.5 m ² per capita in WB urban and > 0.3 m ³ in WB rural and Gaza
Transparency, Accountability, and Participation	21. Public Disclosure of annual budget, SDIP, and MDP performance ranking a) Information disclosed in line with public disclosure procedures b) (second cycle) Annual budget plan disclosure done in the readable budget format	17. Public Disclosure of executed budget and executed SDIP a) Council decision approving executed budgets (see manual) b) Council disclosed executed the budget and executed SDIP according to disclosure procedures by March 31 of the following year c) (second cycle) Budget disclosure done in the readable budget format	12. Audit opinion disclosed to citizens and stakeholders a) External Audit in the last complete FY b) Disclosure of audit opinion by foreseen means	
		18. Municipal Complaint System established a) Complaint process posted on homepage / Facebook or bulletin's board		6. Functional Municipal Complaint System following MoLG guidelines a) (still to be specified)



Funds are allocated based on ranks; municipalities with a higher ranking will be eligible for more funding than those with a lower ranking. The MDP works closely with municipalities through its capacity-building packages to help them graduate from lower levels up to a higher ranking level. **Chart 1** and **Chart 2** show the municipal ranking and the compliance of municipalities with the KPI-16 before launching MDPIII (2017) and after the completion of MDPIII cycle 1 (2019).

Chart 1: Municipal Ranking – MDP III (2017 Vs 2019)

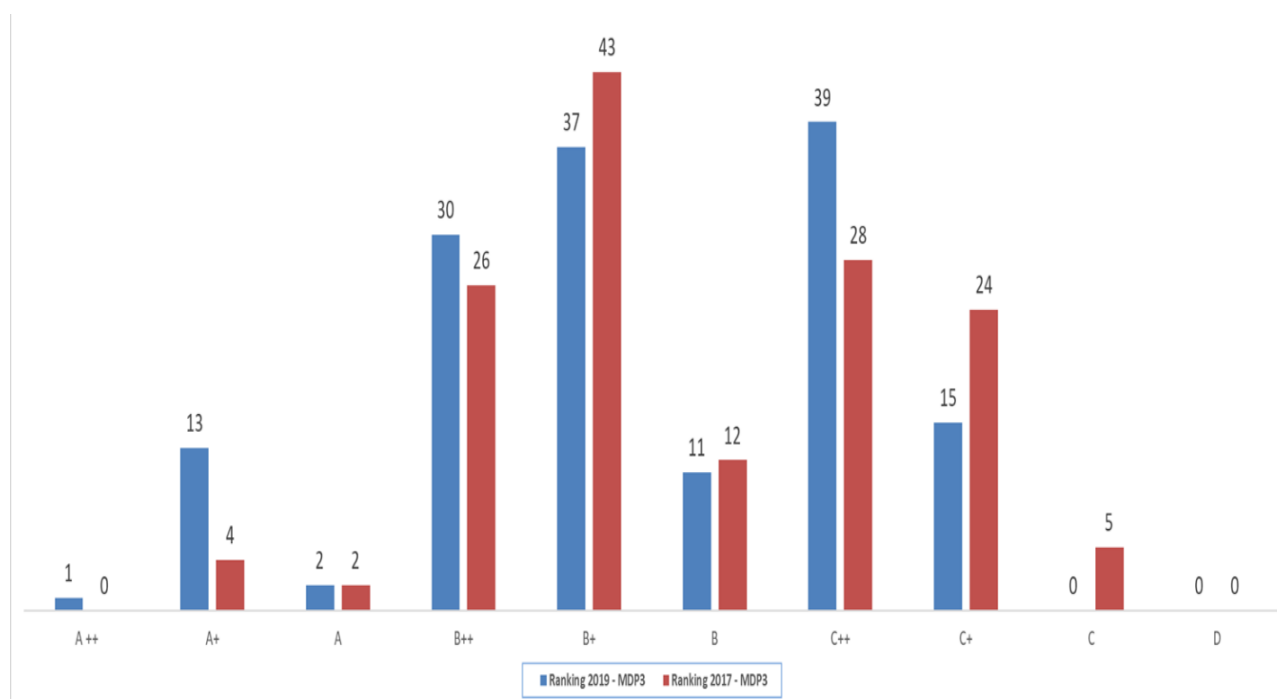
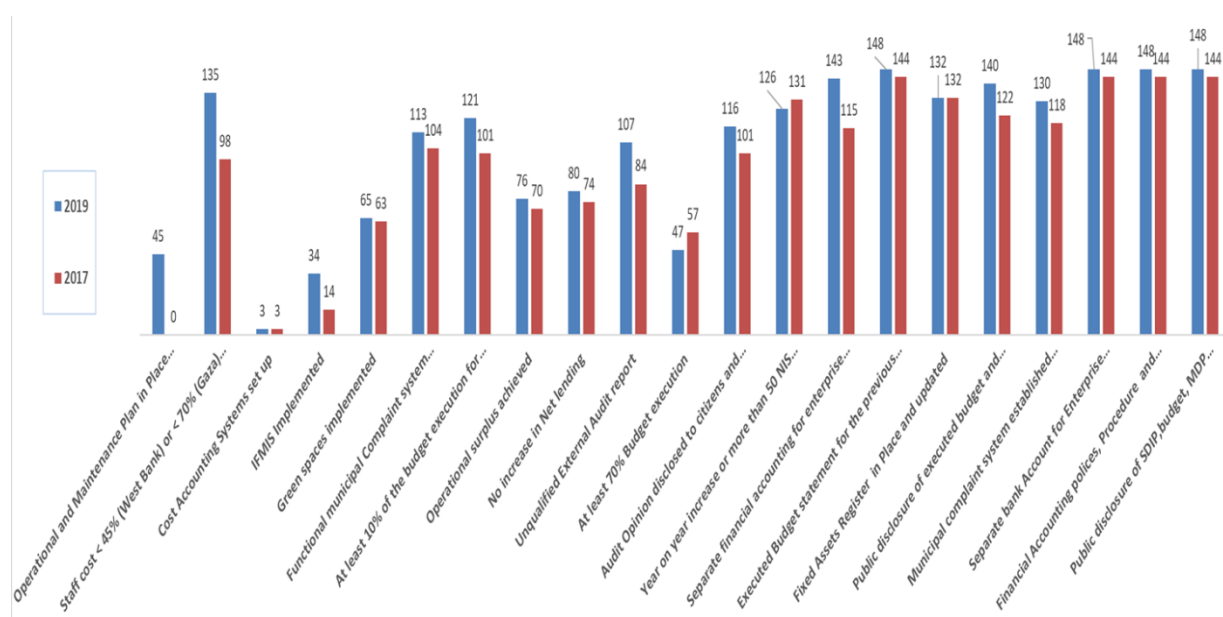


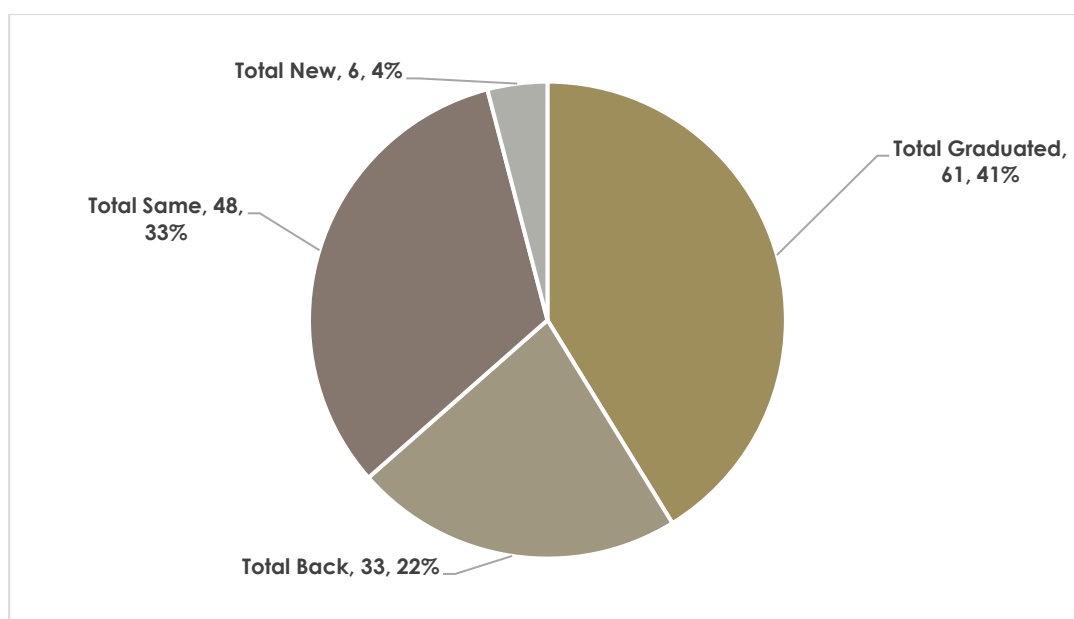
Chart 2: Compliance of Municipalities with KPI-21 (2017 Vs 2019)





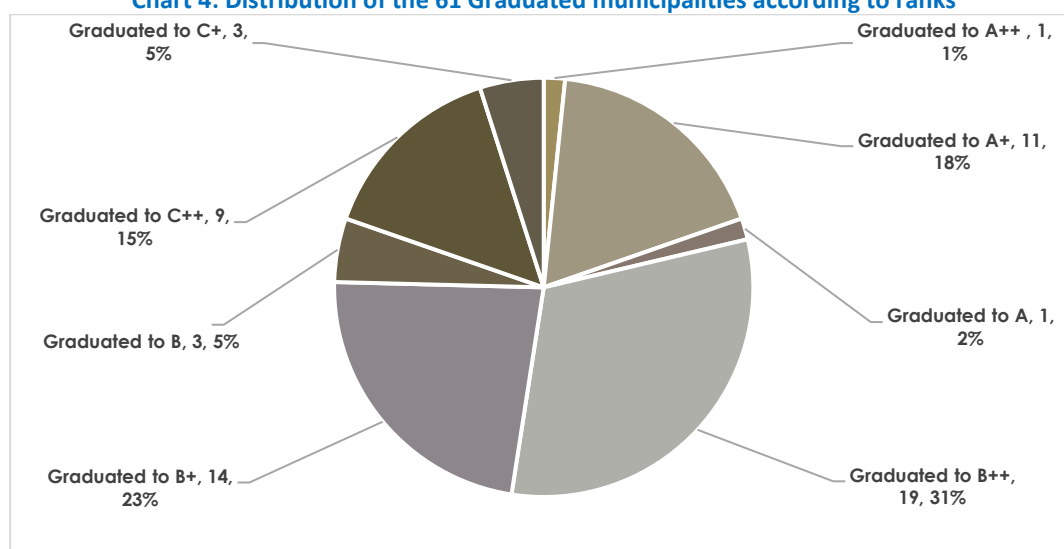
To summarize, **Chart 3** shows the distribution of the municipalities according to their graduation status based on the comparison between the results of 2017 and 2019. The chart shows the number of graduated municipalities, remained in the same rank, and those which got worse ranking. In total 61 municipalities graduated, 48 municipalities kept their same rank, and 33 municipalities lost their rank and got a worse rank.

Chart 3: Graduation Status 2017 Vs 2019



Finally, the distribution of the 61 graduated municipalities according to the ranks is presented in **Chart 4**. The chart reveals that only 1 municipality graduated to A++, another 11 municipalities graduated to A+, 1 municipality graduated to rank A, 19 municipalities graduated to rank B++. 14 municipalities graduated to B+, 3 graduated to B, 9 municipalities graduated to C++, and 3 municipalities graduated to C+.

Chart 4: Distribution of the 61 Graduated municipalities according to ranks





✓ Municipalities Allocation (1st and 2nd cycle)

Allocations were calculated using the new criteria for MDP III (50% performance, 20% population, 30% needs). Where the total allocated amount for this component is equal to **€42,818,489** and **€57,274,235** for the 2nd cycle with a substantial increase in per capita allocation from 11.8 to 15.28 as shown in table 4 below.

Table 4: Distribution of allocation 2017 Vs 2019 (Cycle 1 Vs. Cycle 2)

	2017		2019	
	WB	Gaza	WB	Gaza
Allocation (EUR)	23,515,696	19,302,793	31,582,669	25,691,566
Population	1,948,335	1,673,509	1,983,247	1,754,665
Avg. Per Capita	12.07	11.53	15.92	14.64
Average Per Capita	11.8		15.28	
Total Allocation (EUR)	42,818,489		57,274,235	
Allocation (% increase)			34%	33%
Population (% increase)			2%	5%
Avg. Per Capita (% increase)			32%	27%

✓ Analysis per Sector (cycle 1)

In the same context, **151 sub-projects proposals were received from 119 municipalities in the West Bank in a total allocation (€23,515,696) and 202 sub-projects proposals from 25 municipalities in Gaza Strip in a total allocation (€19,302,793) out of which (74 are categorized as operational expenditure totaling €2,605,866)**

A quick look into the submitted sub-projects proposals reveals that **(72.4%)** of the W1 allocated fund has been invested in road projects. The second sector is public facilities **(10.0%)** including municipal buildings, libraries, community centers, and public parks. The third needed sectors are Solid Waste in a percentage **(7.5%)** followed by Wastewater **(3.8%)** and Water **(3.1%)**. Table 5 illustrates the distribution of **(window 1- cycle 1)** allocation by sector.

Table 5: Distribution of MDP III-W1 Fund per Sector (cycle 1)

	Sector	Not Yet Decided	Electricity	Roads and Streets Lighting	Public Facilities	Wastewater	Solid Waste	Water	Solar Energy	Others	Total (EUR)
West Bank	Allocation (EUR)	236,867	233,287	18,055,669	2,474,336	433,540	263,580	961,537	335,525	521,355	23,515,696
	No. of Projects		4	108	16	4	4	5	2	8	151
Gaza	Allocation (EUR)	0	0	12,935,347	1,808,331	1,194,892	2,938,605	354,714	35,915	34,988	19,302,792
	No. of Projects	0	0	78	20	16	72	10	3	3	202
Total Allocation		236,867	233,287	30,991,016	4,282,667	1,628,432	3,202,185	1,316,251	371,440	556,343	42,818,488
Total No of Projects		0	4	186	36	20	76	15	5	11	353
Percentage (Allocation)		0.55%	0.54%	72.38%	10.00%	3.80%	7.48%	3.07%	0.87%	1.30%	100.00%



✓ **Analysis per Sector (cycle 2)**

Regarding the proposed sub-projects under cycle 2, **207 sub-projects proposals were received from 128 municipalities in the West Bank in a total allocation (€31,582,669) and 283 sub-projects proposals from 25 municipalities in Gaza Strip in a total allocation (€25,691,566).**

A quick look into the submitted sub-projects proposals reveals that **(66.21%)** of the W1 allocated fund will be invested in road projects. The second sector is Solid Waste **(14.26%)**. The third needed sectors public facilities including municipal buildings, libraries, community centers, and public parks are in a percentage **(8.59%)** followed by Wastewater **(2.38%)** and Water **(2.21%)**. Table 6 illustrates the distribution of **(window 1- cycle 2)** allocation by sector.

Table 6: Distribution of MDP III-W1 Fund per Sector (cycle 2)

	Sector	Electricity	Roads and Streets Lighting	Public Facilities	Wastewater	Solid Waste	Water	Solar Energy	Others	Total (EUR)
West Bank	Allocation (EUR)	510,158	20,957,205	3,188,742	130,050	3,559,479	508,449	599,749	2,128,837	31,582,669
	No. of Projects	9	104	15	1	49	5	3	21	207
Gaza	Allocation (EUR)	0	17,425,690	1,839,652	1,023,877	4,690,800	295,000	150,000	266,546	25,691,565
	No. of Projects	0	113	25	12	101	8	1	23	283
Total Allocation		510,158	38,382,895	5,028,394	1,153,927	8,250,279	803,449	749,749	2,395,383	57,274,234
Total No of Projects		9	217	40	13	150	13	4	44	490
Percentage (Allocation)		0.89%	67.02%	8.78%	2.01%	14.40%	1.40%	1.31%	4.18%	100.00%

114 sub-projects totaling € 4,096,419 in Gaza and 41 sub-projects totaling € 2,401,692 in the West Bank are categorized as operational expenditure concerning the solid waste management, health aspects, electricity bills, supply of spare parts....etc.

1.5 MDP III - Implementation Status and Activities

✓ **Component 1: Municipal performance and Service Delivery (1st Cycle)**

This Component allocates the block and performance-based grants for capital investments in municipal service provision and operating expenditures, especially for Gaza municipalities. The fund is distributed across 144 municipalities (119 in West Bank and 25 in Gaza Strip). The total allocated amount for this component is equal to **€42,818,489 out of which 55% are allocated for West Bank and 45% for Gaza Strip.**

Table 7: MDP III-Cycle 1 Allocation

	WB	KFW	AFD+AFD residual	MDTF	PA	SDC	Total (EUR)
	6,142,218	18,240,712	4,433,750	7,810,529	4,179,234	2,012,045	42,818,489
West Bank	3,474,296	10,451,013	2,585,202	4,475,042	1,377,340	1,152,801	23,515,696
Relative Weight	57%	57%	58%	57%	33%	57%	55%
Gaza	2,667,921	7,789,698	1,848,548	3,335,488	2,801,894	859,244	19,302,793
Relative Weight	43%	43%	42%	43%	67%	43%	45%

The municipalities were informed about their allocation in **October 2017** and they were asked to apply for their investment priorities using a standardized application form published on the web. Since then, the municipalities started filling out the application forms under direct supervision from MDLF engineers. 4 orientation workshops attended by all municipalities in WB&G were conducted during the 1st quarter of 2018. During the workshops, MDLF presented the updated ranking, infrastructure



application forms, Environmental and Social Management Framework (ESMF), Land Acquisition and Livelihood (Policy) Framework (LALPF), Cost-Benefit Analysis as well as the financial and procurement arrangements. MDLF had also presented the lessons learned from the MDPII implementation regarding the infrastructure priorities, procurement, and bidding documents.

One of the major obligations of MDP III is to conduct site visits to the municipalities during the appraisal stage. A great effort from MDLF was made by conducting such visits every week. The executed site visits were conducted in the stage of request for application form where MDLF had the chance to meet with the municipalities' representatives, assist the municipalities in filling the standardized application forms, visit the project sites and document that with photos.

MDLF had received almost all the filled application forms from all municipalities in late April 2018, the applications/proposals were subject to revision and appraisal from the technical, social and the environmental point views to ensure the compliance with the regulations and guidelines as per the updated operational manual.



✓ Status of W1 sub-projects (cycle 01)

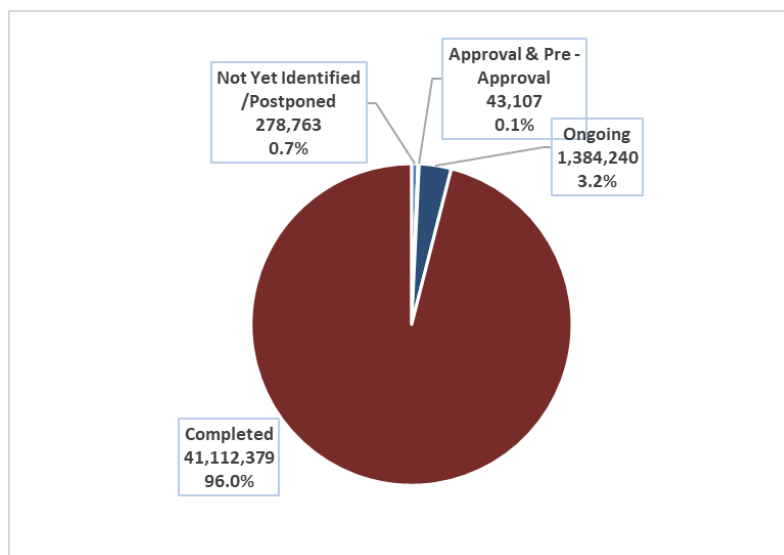
The implementation of W1 – 1st cycle sub-projects in the West Bank and Gaza is progressing where the status can be illustrated in **Table 8 and Chart 5** below:

Table 8: Window 1 - Cycle 1 / West Bank & Gaza

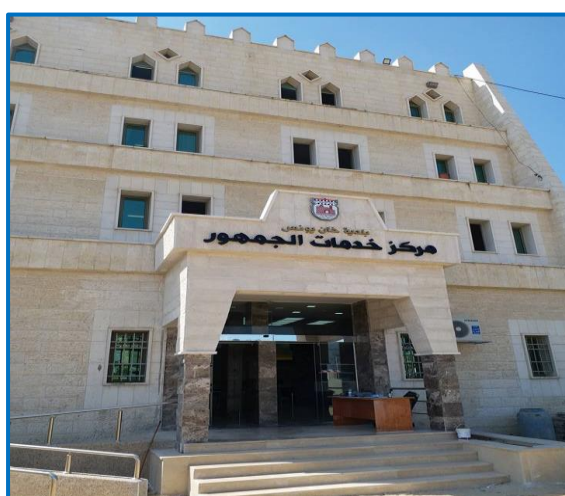
Status of W1 sub-projects (cycle 01)										
	Status	Not Yet Identified	Under Appraisal	Approval & Pre - Approval	Tendering & retendering	Evaluation	Awarded	Ongoing	Completed	Total
West Bank	Allocation	278,763	0	8,107	0	0	0	1,384,240	21,844,586	23,515,696
	No. of Projects	0	0	2	0	0	0	5	144	151
Gaza	Allocation	0	0	35,000	0	0	0	0	19,267,793	19,302,793
	No. of Projects	0	0	1	0	0	0	0	201	202
Total Allocation		278,763	0	43,107	0	0	0	1,384,240	41,112,379	42,818,489
Total No of Projects		0	0	3	0	0	0	5	345	353
Percentage (Allocation)		1%	0%	0%	0%	0%	0%	3%	96%	100%



Chart 5: Status of W1 sub-projects in WB&G (Cycle 1)



- **345 sub-projects out of 353** were completed with the total allocation (€**41,112,379**) amounting (**96%**) of the budget.
- **5 sub-projects out of 353** are ongoing with the total allocation (€**1,384,240**) amounting (**3.2%**) of the budget.
- **3 sub-projects out of 353** were approved with total allocations (€**43,107**) amounting (**0.1%**) of the budget.
- **The remaining allocation (€278,763)** amounting (**0.7%**) of the budget, belongs to Al-Ittihad and Al-Zaitouna municipalities who didn't submit their proposals as they were dissolved.





✓ **Component 1: Municipal performance and Service Delivery (2nd Cycle)**

The allocation for cycle 2 was distributed across 153 municipalities (128 in West Bank and 25 in Gaza Strip). The total allocated amount for this component is equal to **€57,274,235 out of which 55% are allocated for West Bank and 45% for Gaza Strip.** **Table 9** below illustrates the distribution of cycle 2 allocation per by donor per region.

Table 9: Distribution of Cycle 2 allocation by donor per region

	WB	KFW	AFD	MDTF	MDTF Additional Financing	PA	EU	SDC	Total (Euro)
	5,606,288	18,294,288	8,235,000	6,893,454	2,026,640	5,000,610	9,200,000	2,017,955	57,274,235
West Bank	3,644,087	12,225,705	5,352,750	4,480,745	1,317,316	3,250,396	0	1,311,670	31,582,669
Relative Weight	65%	67%	65%	65%	65%	65%	0%	65%	55%
Gaza	1,962,201	6,068,584	2,882,250	2,412,709	709,324	1,750,213	9,200,000	706,285	25,691,566
Relative Weight	35%	33%	35%	35%	35%	35%	100%	35%	45%

The municipalities were informed about their allocation in **October 2019** and they were asked to apply for their investment priorities using a standardized application form published on the web. Since then, the municipalities started filling out the application forms under direct supervision from MDLF engineers.

4 orientation workshops attended by all municipalities in WB&G were conducted during the in Dec-2019. During the workshops, MDLF presented the updated ranking, infrastructure application forms, Environmental and Social Management Framework (EMSF), Land Acquisition and Livelihood (Policy) Framework (LALPF), Cost-Benefit Analysis as well as the financial and procurement arrangements. MDLF had also presented the lessons learned from the 1st cycle implementation regarding the infrastructure priorities, technical audit, procurement, and bidding documents.

Most importantly, an orientation on the contract management was also done to all municipalities engineers as one of the weakness issues observed through the cycle 1 implementation.

One of the major obligations of MDP III is to conduct site visits to the municipalities during the appraisal stage. A great effort from MDLF was made by conducting such visits every week. The executed site visits were conducted in the stage of request for application form where MDLF had the chance to meet with the municipalities' representatives, assist the municipalities in filling the standardized application forms, visit the project sites and document that with photos.

MDLF had received all the filled application forms from all municipalities in late February 2020, the applications/proposals were subject to revision and appraisal from the technical, social and the environmental point views to ensure the compliance with the regulations and guidelines as per the updated operational manual.

It is worth noting that due to the emergency state declared by the Palestinian Government on 5th of March 2020, to prevent the spread of COVID 19 pandemic, the appraisal process was (some how) interrupted. The movement was restricted between the governorates and the work was continued virtually. On the other hand, the MDLF had communicated with FPs to respond to this pandemic at the municipal level where the municipalities are in the forefront of tackling this issue and being responsive for emergency and relief services. In the end the FPs accepted the suggestion from MDLF to allow for the municipalities in the West Bank (like Gaza municipalities) to utilize 20% of their allocation under MDP3 cycle 2, resulting in reformulating the list of sub-projects including the supply of disinfectants and protective materials for some municipalities as well as the incremental cost to cover the JSCs fees for solid waste collection and disposal for instance.



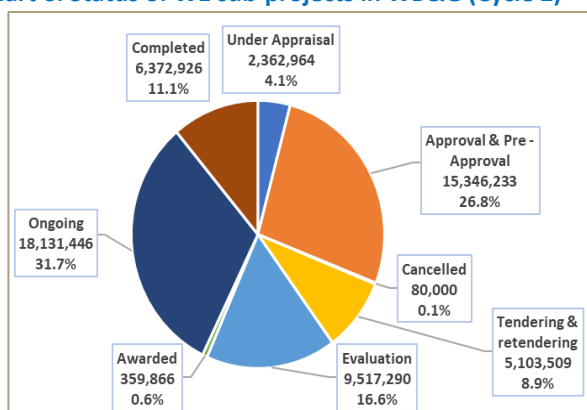
MDLF shared the list of sub-projects with FPs for feedback, meanwhile the appraisal process is progressing and expected to be completed end of August 2020.

The implementation of W1 – 1st cycle sub-projects in the West Bank and Gaza is progressing where the status can be illustrated in **Table 10** and **Chart 6** below:

Table 10: Window 1 - Cycle 2 / West Bank & Gaza

	Status	Under Appraisal	Approval & Pre -Approval	Cancelled	Tendering & retendering	Evaluation	Awarded	Ongoing	Completed	Total
West Bank	Allocation	2,362,964	7,146,716	80,000	5,103,509	2,378,354	359,866	12,142,042	2,009,217	31,582,669
	No. of Projects	12	32	1	25	16	3	71	47	207
Gaza	Allocation	0	8,199,517	0	0	7,138,936	0	5,989,404	4,363,709	25,691,566
	No. of Projects	0	63	0	0	32	0	57	131	283
Total Allocation		2,362,964	15,346,233	80,000	5,103,509	9,517,290	359,866	18,131,446	6,372,926	57,274,235
Total No of Projects		12	95	1	25	48	3	128	178	490
Percentage (Allocation)		4.13%	26.79%	0.14%	8.91%	16.62%	0.63%	31.66%	11.13%	100.00%

Chart 6: Status of W1 sub-projects in WB&G (Cycle 2)



- **178 sub-projects out of 490** were completed with the total allocation (€6,372,926) amounting (11.1%) of the budget.
- **128 sub-projects out of 490** are ongoing with the total allocation (€18,131,446) amounting (31.7%) of the budget.
- **3 sub-projects out of 490** were awarded with the total allocation (€359,866) amounting (0.6%) of the budget.
- **48 sub-projects out of 490** are under bid evaluation with the total allocation (€9,517,290) amounting (16.6%) of the budget.
- **25 sub-projects out of 490** are under tendering with total allocations (€5,103,509) amounting (8.9%) of the budget.
- **One sub-project out of 490** was cancelled with total allocations (€80,000) amounting (0.1%) of the budget.
- **95 sub-projects out of 490** were approved/pre approved with total allocations (€15,346,233) amounting (26.8%) of the budget.
- **12 sub-project out of 490** are still under appraisal with total allocations (€2,362,964) amounting (4.1%) of the budget.



Environmental and Social Management

MDPIII – Cycle 1

Regarding the environmental and social screening and assessment, MDLF commenced environmental and social screening of the list of MPDIII-CI sub-projects in March of 2018 after finalizing the LALAPF training.

Although the progress was slowed at the beginning till the end of April of 2018 where more simplifications were agreed on social safeguard's procedures.

Sub-projects' Environmental Screening and Social Screening went through desk revision, site visits were conducted for both social and environmental assessment of all sub-project, moreover, a social safeguard committee (including the social officer, technical department manager, the environmental officer) was created to facilitate the social screening progress adhering to LALAPF requirements.

The main environmental assessment was of Category B or C, the nature of the selected sub-projects were of a minor, short term, low-risk environmental impacts, the projects adhered to the physical and the cultural resources and the involuntary resettlement policy which in some cases were listed in the environmental and social assessment summary sheet.

The Summary sheet was forwarded to the donors including the Environmental assessment category, cultural resources policy, pest control management, the international waterways policy, risks, impacts, and implication to design, and ESMP sector. Also, social safeguards triggering involuntary resettlement were included: (sort the impact by each affected person, proposed mitigation, agreement, and then provided approvals).

The following is summary of the No. of appraised sub-projects in West Bank and Gaza Strip for the list of MDPIII – Cycle 1 sub-projects.

Table 11: Environmental and Social Assessment Summary (MDPIII – Cycle 1)

Item	West Bank	Gaza Strip
Environmental Assessment		
Total Sub-Projects	151	202
Sub-projects were screened to Category B	133	99
Sub-projects were screened to Category C	18	102
Sub-projects were screened to category B-C (Solid Waste management projects)	0	10
Sub-Projects caused internal displacement	0	0
Sub-project triggered the International Waterways policy	0	0
Sub-project triggered the Physical Cultural Resources Policy	0	0
Sub-project triggered the Pest Control Management Policy	0	7
Social Assessment		
Sub-projects triggered the Involuntary Resettlement policy	1	2
Sub-projects have been approved after having agreements with citizens	49	35
Sub-projects did not trigger involuntary resettlement Policy	101	165



MDPIII – Cycle 2

Environmental and Social Management Framework (ESMF) and the technical Manual of the MDP has been updated in 2020 to be compatible with Pandemic COVID-19 procedures and for more focusing on some of specific issues such as health and safety of workers (provision of PPE and sanitizers, insurance coverage, code of conduct, a place for rest, and orientation about the health and safety measures at site); contractors were requested to sign on a commitment letter to follow the MoH requirements at the sub-project site regarding to the COVID-19 pandemic disease. As well, the public consultation procedures and stakeholder engagement plans were updated according to the COVID-19 situation; the update refer to technical note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings and the MoH guidelines. The new update also included the no-objection of Supplying of pest Control Materials and Disinfection materials in West Bank, as well the waste collection and transport sub-projects. ESMF addressed the required ESMM for all of the newly added sub-projects.

The following is summary of the No. of appraised sub-projects in West Bank and Gaza Strip for the list of MDPIII – Cycle 2 sub-projects.

Table 12: Environmental and Social Assessment Summary (MDPIII – Cycle 2)

Item	West Bank	Gaza Strip
Environmental Assessment		
Total Sub-Projects	207	202
Sub-projects were screened to Category B	130	110
Sub-projects were screened to Category C	69	162
Sub-projects were screened to category B-C (Solid Waste management projects)	8	11
Sub-Projects caused internal displacement	0	0
Sub-project triggered the International Waterways policy	0	0
Sub-project triggered the Physical Cultural Resources Policy	0	0
Sub-project triggered the Pest Control Management Policy	0	3
Social Assessment (Category B Sub-projects)		
Sub-projects still under appraisal	12	44
Sub-projects have been approved after having agreements with citizens	52	29
Sub-projects did not trigger involuntary resettlement Policy	66	37

Sectorial ESMPs, and Environmental and Social, Health and Safety (ESHS) in Bidding Documents

The objective of the sub-project Environmental and Social Management Plan (ESMP) is to cater to the environmental and social needs of the MDP in a simple, responsive and cost-effective manner that will unnecessarily overload or impede the project cycle.

The ESMF provides sectorial ESMPs that must be included in the tender documentation, so that potential bidders are aware of environmental and social performance standards, further to complying with safety requirements expected from them and are able to reflect that in their bids.

In addition to the environmental compliance section where breakdown for the cost of each mitigation-measure noncompliance is detailed in this section and will be enclosed in bidding documents.

MDLF prepared sectorial ESMP's for roads, Public Facilities, Energy/Electricity/Street lighting, Water/Wastewater/Strom water drainage sectors to be used with modifications where site-specific requirements were highlighted during appraisal.



Regarding ESHS, most of the sub-projects were of small scale, with a minor environment, social or health, and safety risk or impact, though these conditions were not applicable for any of the tendered sub-projects.

Although MDLF reviewed each bid separately, it added more enforcement to the health and safety measures and measures regarding to COVID-19 in the technical specifications and BOQ's introductions, based on the complexity of the project and the potential risks and hazards.

Environmental and Social Management during Construction Stage

- The majority of the sub-projects are of small scale and of rehabilitation nature that have their impacts mainly on - the sustainability of the municipal services. Impacts are minor and temporary; no adverse potential impacts were raised.
- Sub-projects were mostly implemented in a manner that did not cause unwarranted adverse impacts to the environment, where minor environmental impacts during construction phase, and mostly mitigated through proper implementation of environmental, health and safety measures.
- No accidents were registered or noticed in work areas of any sub-project.
- No labor influx was noticed at sites.
- In cases of noncompliance to environmental and social considerations in the environmental and social monitoring plans, environmental notes have been applied and reported.
- Main registered environmental notes are for non-compliance to providing traffic warning signs, spraying water, or to wearing PPE's.

On the grievance mechanism part:

- The new GRM Manual was oriented and discussed with Municipalities; The manual is disclosed on MoLG and MDLF websites.
- Complaints procedures were raised in the Focus Group sessions where citizens are notified with the presence of the system and they are able to submit their complaints formally. The electronic complaining was encouraged according to the COVID-19 procedures.
- During the construction stage, and as part of the supervision and monitoring visits; it was found the most of the sub-project are of small size, temporary impacts as stated in the environmental sections, where only temporary access through the road segment, or to house entrances, in addition to work duration, are the sort of complaints communicated verbally or officially. Where the LTC report verified the presence of complaints submitted for each sub-project.
- MDLF, and the LTC have noticed that citizens in small size municipalities convey their complaints verbally to the municipality supervisor engineer, or the mayor.



Preparation for MDP III Cycle 2 Environmental and Social Management

- MDLF restructured the reporting forms to the use of LTC's, municipality engineers regarding: Focus group reports, monitoring site visit reports for environmental and social management. In addition to unifying the consultation minutes, and agreements for social safeguards procedures.
- MDLF prepared an additional section to the Operation Manual regarding the Grievance Mechanism for the Project under work as usual (noting that when safeguards are triggered and LALAP's is being prepared more rigorous GRM procedures apply as per the LALAPF).
- LTC role for Environmental and Social Management has been modified, where MDLF directly contracted Individual Consultants to follow up the environmental and social management. It was noticed a good improvement and better follow up and compliance with the Environmental and Social requirements.
- Furthermore; Environmental and Social safeguards and management of cycle 2 of MDP was introduced to municipality engineers within Orientation Workshops conducted by MDLF in Middle, South, and North of West Bank, and Gaza Strip. Also, Orientation sessions for all municipalities will be carried out in Q3 of 2021 about the updated ESMF and LALPF., and more discussion about GRM Manual.

✓ **Component /(Window) : Window 2: Component 2: Capacity Development for Municipalities**

This sub-component supports municipalities in improving their performance to graduate to a higher performance category in which they are currently classified; it supports consultant's services, training, and equipment for municipalities in both West Bank and Gaza Strip.

The capacity building packages for included:

- Financial Systems (IFMIS & RMIS)
- Operation & Maintenance (O&M)
- E-Municipality (EMS)
- Citizens Services Centers (CSCs_
- Strategic Development & Investment Plans (SDIPs)
- Fixed Assets Registration and Valuation (FARV)
- Financial Policies & Procedures Manual (FPPM)
- In addition to that, a social accountability (SA) package will support 30 municipalities in this cycle, noting that the SA is a cross-cutting issue that is mainstreamed across all MDP III components.





Regarding the implementation status:

Applications for capacity building packages were received from municipalities as MDLF evaluated the submitted forms along with the supporting documents during the 1st half of 2018 **(concerning the 1st cycle) and (January 2020 for the 2nd cycle packages)**. It is worth mentioning that the municipalities were also able to fill and submit their Capacity Building Applications online. The capacity building packages were identified as per municipality after which the municipalities were notified about the awarded packages.

- Online application forms were revised and updated.
- Each package has specific pre-requisites to be fulfilled by the LGUs.
- The municipalities were contacted and informed about the readiness of the applications and the need to look at them.
- Each municipality received a username and password for the online application.
- Orientation workshops for municipalities on the available CB packages as well as the online application were conducted in West Bank and Gaza.
- Municipalities were called upon to submit the final CB application after considering orientation workshop instructions.
- MDLF provided technical assistance during the entire process of choosing a CB package and during the process of filling out the CB packages application for each municipality.
- The final applications were received by MDLF and then evaluated.
- The municipalities were informed of the results as shown in **Table 13 concerning the 1st cycle, and the 2nd cycle.**

Table 13: Distribution of Capacity Development Packages

		SDIP	O&M	Financial Package	E-Municipality	FPPM	FARV	Social Accountability	CSC
Number of Benefiting Municipalities	1 st Cycle	92	24	23	6 (upon the readiness assessment that will be done before the final selection)	6 (newly established municipalities)	6	30	7
	2 nd Cycle	0	39	31	6 (upon the readiness assessment that will be done before the final selection)	7 (Training and coaching the newly established municipalities on the financial policies and procedural manual WB)	7	126	21



IFMIS Package

- The objective of this package is to implement a modern, comprehensive and integrated financial management information system at the selected municipalities.
- The IFMIS is a management tool that will give municipal officials and MOLG managers the information needed for making decisions, planning their activities, monitoring and evaluating outcomes.
- The integration between the municipalities and MOLG is a crucial part of this assignment and should be done using the best technologies and architectures.
- The integrated financial management information system (IFMIS) is a system that integrates financial processes executed by different related systems such as budget preparation software (BPS), General ledger (GL), Revenue Management Information System (RMIS), Fixed Assets Registration, Payroll system to derive full benefits from performance-based public financial management. It worth to mention that the integration between the Budget module with the current budget system used by MOLG is essential.
- Given that the implementation of IFMIS cannot be implemented in all municipalities at once, MDLF will initially provide the municipalities with the RMIS to help their readiness for implementing IFMIS for the small municipalities. The RMIS and the IFMIS can be integrated at the implementation stage of IFMIS at the end. On the other hand, the medium-size municipalities MDLF will implement the main modules according to the available capacity that exists inside these municipalities.
- The Financial package will be implemented through three main phases:

Phase one: Institutional Assessment for Financial Package implementation at the selected municipalities. This consulting assignment aimed to determine the Municipalities which will meet the capacity mandatory to qualify for IFMIS modules. And, identify gaps and shortcomings against future staffing and skills requirements on an individual and departmental basis to ensure successful Financial Package implementation.

Phase two: Coaching Municipalities in Implementing IFMIS. This consulting assignment aimed to:

- o Coach the selected municipalities in applying the financial policies and procedures as described in the Financial Policies and Procedure Manual (FPPM) on a modified accrual basis. Coach the financial staff at the selected municipalities in performing all the transactions based on the fund accounting method.
- o Support financial staff to generate all balance sheet line items as of the latest close month and to support sufficient documentation the process has taken to justify all amounts recorded as opening balances.

Phase three: this phase will be performed in parallel with phase two which was aimed to supply and implement the Financial software at the selected municipalities according to specified functional requirements.

Phase four: Supply the necessary hardware which has been specified in the first phase.

Operation & Maintenance Package

- The O&M aims at encouraging the municipalities to make sure to allocate budget to operate and maintain their projects, primarily when it relates to roads and public facilities as they appear in their updated Fixed Assets chart. The O&M software also provides what is known as the "Priority Index" which is an effective tool to prioritize the budget expenditure based on the most urgent and most relevant projects, as opposed to keeping it to the often inaccurate guesses of those responsible for operations or maintenances or their biases.

- Sub-assignments under the O&M package:
Physical Inspection for Roads & Public Buildings
IT Assessment
The O&M Software
Hardware Supply and Installation

- The implementation approach will be as follows:

Conducting a physical inspection of roads and buildings about procedures, forms, and templates of the updated O&M manual and as needed to establish the O&M database for each selected municipality.

Data Entry on the O&M software.

Preparing a base map from the updated master plan containing road centerlines, sections and directions.

Coaching the selected municipalities and conducting on the job training on data collection and the use of the physical inspection forms and O&M process, also training on the data entry using the O&M software.

Working on the O&M software.

Conducting a series of workshop for O&M software training for the selected municipalities

Citizens Services Centers

- The main objective of this assignment is to support the automation of municipal service delivery mechanisms at selected municipalities.
- The CSCs will provide easy access and reporting on municipal services & complaints, type of complaint and percentage resolved and will provide efficient services to citizens.
- The CSCs will be implemented as follows:

Institutional Assessment for Introducing Citizen Service Centres (mapping, identifying gaps in the working process, optimization of the work process, conduct IT assessment & BOQ for hardware, developing citizens' guidelines for CSCs).

Installation and deployment of the CSCs software system.

Supply and installation of the hardware that will be identified upon the IT assessment.

Supply of furniture for the CSCs.

Supply of A/C for the CSCs.

Supply of Glass Doors for the CSCs.

Printing of CSCs charter.



Table 14: Updated Status per Package (cycle 1 & cycle 2)

Capacity Building Package	No. of Municipalities	West Bank	Gaza	Updated implementation status
FARV (1 st Cycle)	6	6	0	The assignment has been completed
FARV (2 nd cycle)	7	7	0	The assignment is under procurement, particularly, RFP Evaluation
Training and coaching the newly established municipalities (1 st Cycle)	6	6	0	- Training and coaching of the newly established municipalities on the financial policies and procedural manual FPPM in West Bank was on hold until completing the update of the cash basis manual on IPSAS. Since that manual is updated, the TOR was finalized by the first Quarter of 2020 which will include all the newly formed municipalities.
Training and coaching the newly established municipalities (2 nd Cycle)	7	7	0	
Financial Packages	54	45	9	Institutional Assessment: - The assignment (for Cycle 1&2) has been completed. - The municipalities which will take either IFMIS or RMIS have been identified. - The BOQ and the specifications for the required hardware have been identified. IFMIS & RMIS Coaching: - The coaching team for Cycle 1 is on board. MDLF is in the process of starting the procurement process for Cycle 2 coaching team. Supply Hardware: - According to the IT assessment reports, BOQs were prepared for both cycles. - The hardware for cycle 1 was completely delivered for WB municipalities and the delivery process for Gaza municipalities is still undergoing. - The supply of hardware for cycle 2 is still under procurement (bidding process) and expected to be delivered in March 2020 (for WB municipalities). However the bids for Gaza hardware has not yet issued till receiving the Israeli reply on the acceptance delivery to Gaza. Financial Software: - Management has decided to merge Cycle 1 with Cycle 2 for the software. MDLF contracted the software provider. This assignment has started in October 2020.



Capacity Building Package	No. of Municipalities	West Bank	Gaza	Updated implementation status
CSC (Cycle 1)	7	6	1	Cycle 1: Rehabilitation of the physical space of the Citizen Service Centers: - The rehabilitation of the physical space in all of the municipalities in had been completed from their own financing. MDLF provided technical assistance and supervision during the rehabilitation works. Business process re-engineering & IT Assessments: - Consultants were contracted to do a business process reengineering and IT assessments in the West Bank and Gaza. - IT Assessment was completed in the West Bank' municipalities and the BOQs had been identified. Supply of Hardware: - Hardware was delivered completely in West Bank & Gaza. Supply of Furniture: - A firm was contracted to supply furniture in West Bank & Gaza and all Furniture's were delivered. Supply of computerized software: - A firm was contracted to supply a software in West Bank & Gaza and all software delivered completely. Print Services Charter - A firm was contracted to design and print charters in West Bank and all charters were delivered completely. However, it is still under procurement process for Gaza.



Capacity Building Package	No. of Municipalities	West Bank	Gaza	Updated implementation status
CSC (Cycle 2)	21	18	3	Cycle 2: Rehabilitation of the physical space of the Citizen Service Centers: Design and supervision for CSC – West Bank A firm was contracted to design and supervise the rehabilitation of CSCs. Business process re-engineering & IT Assessments: - Two consultants were contracted (one for WB and the other for Gaza). Both assignments are undergoing with delay due to transportation restrictions and closures of cities after the spread Covid-19 pandemic. Supply of Hardware: - The process will start once the IT assessment is completed including the BOQs. Supply of the Furniture: - The process will start once the rehabilitation work is completed. Supply of computerized software: - A firm will be contracted once the business process reengineering is completed. Print Services Charter - A firm will be contracted to print a service charters to municipalities once the system is implemented in both WB & Gaza.
O&M (Cycle 1)	24	16	8	Cycle 1: Physical Inspection - The assignment was completed as all deliverables have been submitted according to the TOR. IT Assessment for O&M - Consultants had been contracted for West bank and Gaza and the assessment was successfully completed. Supply of Hardware for O&M - A firm was contracted to supply the hardware and the hardware was delivered completely. The roll-out of O&M Software - A firm was contracted to supply the software for the West Bank and Gaza municipalities and software was delivered completely.



Capacity Building Package	No. of Municipalities	West Bank	Gaza	Updated implementation status
O&M (Cycle 2)	39	34	5	Cycle 2 Physical Inspection - Four consultants were contracted (North, Middle, South and Gaza). - Kick-off meetings with the consultants were conducted in WB and Gaza. - More than 60% of the field work was completed, taking into consideration the obstacles resulted from COVID-19 pandemic. - Follow-up with the previous beneficiary municipalities was done by getting the needed reports from the computerized system. IT Assessment for O&M - Two consultants were contracted for West bank and Gaza, and the assignments were completed. Supply of Hardware for O&M - The supply of hardware is still under procurement (bidding process) and expected to be delivered in March 2020 (for WB municipalities). However the bids for Gaza hardware has not yet issued till receiving the Israeli reply on the acceptance delivery to Gaza. O&M Software - The assignment is in the bidding process in West Bank & Gaza.
Social Accountability Cycle 1)	30	25	5	Cycle 1 The SA package for cycle 1 was successfully completed and the lessons learnt were reflected in the TOR for the 2nd cycle.
Social Accountability Cycle 1)	126	106	20	Cycle 2 - The social accountability package has been provided to the municipalities through four contracts, three in West bank and one in Gaza which will be accomplished by June 2022. - Four NGOs were contracted to conduct the SA package.



Capacity Building Package	No. of Municipalities	West Bank	Gaza	Updated implementation status
E-Municipality	Cycle1: 6 (upon the readiness assessment)	4	2	<u>Readiness Assessment & IT Assessment:</u> <u>Cycle 1:</u> - A consultant was contracted to select 6 municipalities upon the readiness assessment, the assignment was completed. <u>Cycle 2:</u> - A consultant was contracted to select 6 municipalities, upon the readiness assessment, the assignment is in process. <u>Supply of Hardware</u> <u>Cycle 1:</u> - Hardware was completely delivered in West Bank & Gaza <u>Cycle 2:</u> - A firm will be contracted once the Readiness Assessment & IT Assessment is completed. <u>Supply of Software</u> - A firm will be contracted for both Cycles in West Bank and Gaza after completing the Readiness Assessment & Hardware delivery. <u>Ads and Printing Materials</u> - A firm will be contracted for both Cycles in West Bank and Gaza after completing Software assignment.

Readable Budgets

- The readable budget in cycle 1 has been performed by the joint efforts of MOLG, GIZ, and MDLF for 60 municipalities (WB 45, Gaza 15)
- The targeted municipalities have published their budget for 2019 in infographic format through their websites and pages on social media.
- In Cycle 2 , the municipalities will publish their budgets for 2020 in addition to their budgets VS actual for 2019.
- This package will be implemented in cycle 2 directly by GIZ for 35 municipalities in West Bank, and will be implemented by MDLF in Gaza for 25 municipalities.

In addition to that the following interventions concerning this component can be listed below:

- ✓ **An outline of the MDLF approach in Implementing Creditworthiness Activities** was prepared and presented to MDLF Funding Partners during the last missions. The TOR for this intervention in establishing creditworthiness activities was recently prepared and modified based on discussion with the World Bank. Revised version of the TOR has been sent for feedback in the last week of Jan. 2019.

The MDLF, in coordination with the World Bank, split the above-mentioned TOR into two assignment as follow:

- The first TOR is meant to deliver training and transfer the necessary knowledge about the creditworthiness that will target selected municipalities ranked B+ and above. This assignment is under procurement and expected to start by April 2021.
- The second TOR is meant for implementing a self-assessment tool to determine the areas of interventions by MDLF. Currently, GIZ is developing a comprehensive assessment tool that



will cover the assessment criteria for creditworthiness. It's expected to be completed by the end of Sep. 2020.

✓ **Converting the Financial Policies and Procedures Manual (FPPM) from the Modified Accrual Basis to Full Accrual Basis:**

The assignment has been completed as the consultant updated the FPPM on a full accrual basis and the FPPM on a cash basis to adapt the IPSAS. MDLF is trying to schedule a suitable time with MOLG to deliver an orientation workshop about the updated FPPM. The assignment is considered as completed.

✓ **Component / (Window) 3: Municipal Partnership Project**

This component will focus on the public-private partnership to better leverage private sector engagement in municipal services delivery and local economic development. This sub-component will support municipalities to identify the potential modalities for private sector engagement, select the most relevant or appropriate modality based on feasibility, and design the implementation of the agreed modality. Specific areas for support would range from permitting and other processes to structuring private sector participation in infrastructure and service delivery (contracting out, joint ventures, special purpose vehicles, and build-operate-transfer agreements), as well as strategic land use planning and associated infrastructure development related to economic growth priorities. This sub-component will be particularly important in terms of supporting technical and human capacity development at the municipal level. The implementation of progress can be summarized as follows:

The TOR for the diagnostic study of PPP was cleared by the WB early July, and upon that, MDLF initiated the procurement process to contract a consultant for conducting this study. The study was completed with a detailed action plan for enabling the environment of PPP at the municipal level. The action plan was shared with the DPs and MDLF started working on the TORs for the technical assistance package for PPP technical assistance package that will tackle the policy, the legal and the technical capacity of municipalities' staff in PPP.

- The TOR was cleared and uploaded on the procurement system (software) in late June 2018.
- The EOI was advertised on July 18th, 2018 and the assignment was contracted on Sep. 15th 2018.
- The diagnostic study along with the action plan for institutional development regarding the PPP was completed and shared with DPs Mid-March. 2019.
- The Diagnostic Study tackled the policy, legal, and institutional framework and unveiled weaknesses and gaps in the PPP enabling environment at the local government level.
- The approach for conducting the study was based on the desk review, quantitative survey (40 municipalities), focus groups and interviews among stakeholders.
- The action plan for the technical assistance package of PPP was prepared and shared with DPs mid-March 2019.
- The Interim Support Committee was formed by the MOLG minister with a representative of the following:
 - o MOLG LED Department, MOLG legal advisor. (two members)
 - o MDLF (two members).
 - o APLA (one member)
 - o Al-Bireh municipality (one member)
 - o Nablus Municipality (one member)
- Two TORs were prepared to implement the technical assistance package for leveraging PPP for municipal services under the action plan.



- The 1st TOR will tackle the development of PPP Policy and regulatory framework including awareness and promotional activities. The assignment is undergoing and the policy and regulatory framework was shared with MOLG for feedback.
- The 2nd TOR will tackle the skills and competences in PPP of the selected municipalities in addition to an assessment of potential PPP interventions at the municipal level. The assignment was contracted and due to Covid 19 pandemic the training activities were delayed. In the end the training assignment was extended to cope the situation and the training modality was agreed to be implemented in 10 clusters. (9 in the West Bank and one in Gaza).
- It is expected to conclude a list of potential PPP initiatives by end of the training assignment by June 2021.
- Other proposed activities would be preparing pre-feasibility studies for the best potential PPP initiatives.

In addition to the PPP, this component will support the local economic development in terms of:

- Institutionalization phase for LED in 10 municipalities: (Jenin, Al-Yamoun, Beit Sahour, Beit Ummar, Nablus, Qabatya, Salfit, Surif, Tulkarem, Ya'bad), and
- Operation phase for LED in 5 municipalities :(Ramallah, Al Bireh, Dura, Jericho, Qalqilia).

In terms of implementation:

1- Institutionalization phases:

- A consolidated action plan was prepared to cover the five pioneer municipalities.
- An individual consultant is working on supporting the municipalities Institutionalization of LED and develop a unified guideline for the nature of the relationship among the LED unit, LED council and the municipal council.

2- Operation phase:

- The municipalities worked on the Community-Driven Initiatives with a predesigned methodology.
- The CDIs Business cases were developed.
- The pioneer municipalities are implementing selected CDIs some of which are under design and the others are under tendering/evaluation.

✓ **Component /(Window) 4: Project Management**

❖ **Local Technical Consultants (LTCs)**

To better support the municipalities and build their capacity, the MDLF has utilized the services of LTCs firms to provide the needed technical support to the municipalities in West Bank and Gaza. The main objective of this consultancy assignment is to provide technical assistance to the municipalities for the implementation of subprojects approved by MDLF as follows:

- (i) Sub-project planning and Identification (Stage 1): from the planning and identification of eligible sub-projects, and preparation of applications to ensuring eligibility criteria (including environmental and social safeguards) per MDP procedures, including assisting in the preparation, review and comment on individual procurement plans, infrastructure, and services maintenance, designs, specifications, and bidding documents.
- (ii) Sub-project implementation and supervision: building the capacity of municipalities to implement the sub-projects and assisting them in the supervision including reporting on the progress of implementation, monitoring of indicators, and compliance with the standards as delineated by the MDLF.
- (iii) Ensuring compliance with technical and fiduciary aspects: building the capacity and providing guidance to municipalities on technical and fiduciary aspects of sub-project preparation and



implementation to ensure compliance with MDLF's procurement, financial, social and environment safeguards (including the provision of mitigation measures) procedures.

For cycle 01, The local technical consultants were distributed among 9 clusters and they are onboard. However, the LTCs **for cycle 02** were distributed among 8 clusters and were contracted by april 2010. It is worth noting that slight modification on the TOR was done as follows:

- Removed the tasks to assist municipalities in filling application form as its done easily by municipalities
- The social and environmental specialists will be contracted directly with MDLF as individual consultants.
- MDLF selected four municipalities which will not be under the LTC assistance.

✓ **Component /(Window) 5: Additional Financing for Gaza**

The AF would finance the costs associated with the scaling-up of the Project's support to Gaza municipalities to enable them to expand local services provision though labor-intensive O&M and municipal capital investment activities.

The scale-up would thus finance:

- **Type 1: O&M activities** to restore or maintain critical municipal services given severe funding constraints facing Gaza municipalities (60% of AF, net of administrative costs - **USD 5.52M**). Each municipality shall prepare an O&M plan that will be submitted to MDLF for review and approval. From the approved O&M plane, the municipality identifies packages for O&M implementation (that also defines required labor inputs). This subproject type focuses on Scaling up of operations and maintenance activities to restore or maintain critical municipal services that require labor intensive methods. Type 1 sub-projects will cover financing of **labor, equipment and supplies** necessary to undertake the approved operation and maintenance activities. Among others these subprojects will include: Solid waste collection, sorting and Disposal; Public Health activities, cleanup and security of coastline and beaches, cleanup and beautification of public spaces, irrigation of municipal green areas, O&M of slaughterhouses, O&M of water and waste water networks and facilities, O&M of Public Facilities (Markets, Municipal Sports facilities, culture centers and libraries, solid waste facilities, cemeteries if operated by municipality, public gardens and parks...etc.), roads repairs and maintenance (filling of potholes, crack repair and sealing, etc.), periodic cleanup of draining system, , solid waste collection and sorting, fumigation.
- **Type 2: Investment grants for Gaza municipal investments** that employ labor-intensive methods in subproject implementation (40% of AF, net of administrative costs – **USD 3.68M**). this subprojects type focuses on Scaling up of investment grants identified in the Strategic Development and Investment Plan (**SDIP**) for Gaza municipal investments that employ labor-intensive methods in sub-project implementation. Municipal subproject that can be financed include: **Infrastructure sub-projects** such as, but not limited to: Roads (internal narrow roads that use labor intensive technology), Wastewater and water, (within internal streets that require only labor-intensive technology), Solid waste management, Parks and open space development, Public markets, Landscaping of road medians. **Non-infrastructure sub-projects:** Tax and fees mapping (feeding the RMIS with updated clients' databases for better revenue collection), Archiving of municipal records, Solar energy, Inventory of municipal assets (expanding data entry of the operation and Maintenance



software and IFMIS), Public awareness campaigns (e.g. innovative ideas to enhance revenue collection, enhancing citizens' ownership, enhance public relations within the citizens service centers), Enhance the Grievance Redress Mechanism (e.g. through developing Smart Mobile applications).

The scope of this component is to:

- Create short term employment opportunities (44 to 66 working days, 16 \$/Day)
- Create 5,000 short term jobs (750 for female)
- The nature of the sub-projects to be financed/prioritized under this component should have max labor content and High immediate impact on service.

Regarding the status of component 5,

- The municipalities were informed about their allocation in September 2019 and they were asked to prepare a two year operation and maintenance plans and to prepare proposals for their capital investment sub-projects according to the SDIP of each municipality.
- The municipalities submitted O&M plans using a template developed by MDLF covering all sectors subject to maintenance.
- The plans were reviewed by MDLF concluding a prioritization from (O&M) sub-projects in accordance to the appraisal criteria as stated in the POM. Additionally, a part of the capital investment sub-projects was appraised and approved.
- A total of \$ 9.2M under this component were distributed among Gaza municipalities based on a well-defined criterion comprising of (flat allocation \$ 35,000 and the remaining was allocated as per capita).
- A total of 312 sub-projects were identified and appraised and the status of projects can be illustrated in Table 15 below. Chart 7 & 8 illustrate the distribution of funds between the Type 1 and Type two sub-projects and distribution per sector.

The identified sub-projects include a labor content that will create 5,416 temporary opportunities including 786 for Female. Figure 3 Below shows the planned opportunities as per the sub-projects identified and the actual opportunities progress.

Table 15: Status of Component 5 Sub-projects

Status	No. of Sub-projects	%	Allocation (\$)	%
Pre-tendering	96	29%	3,309,934	36%
Tendering and Evaluation	42	13%	1,418,627	15%
Ongoing	73	22%	1,837,916	20%
Completed	117	36%	2,633,523	29%
Total	328	100%	9,200,000	100%



Chart 7: Component 5 sub-projects Types

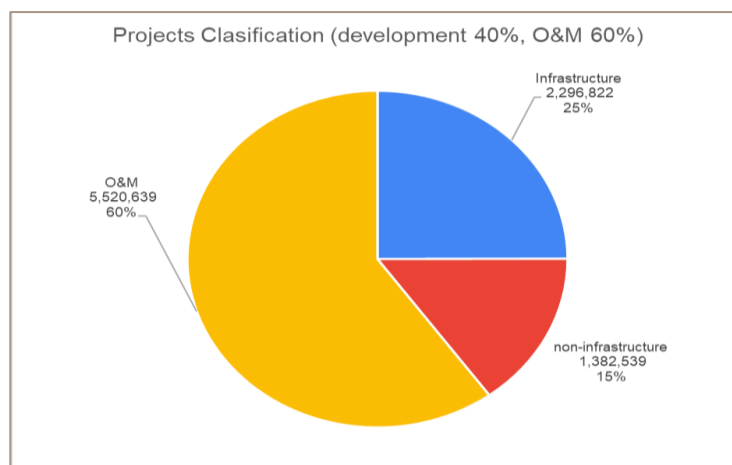


Chart 8: Component 5 sub-projects Per Sector

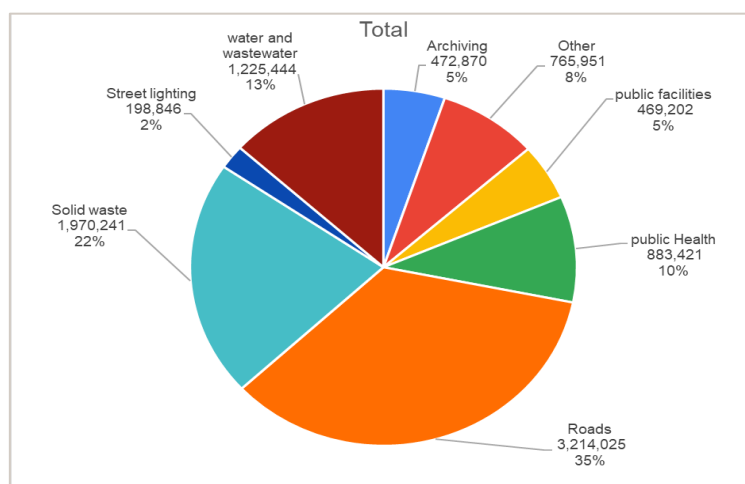
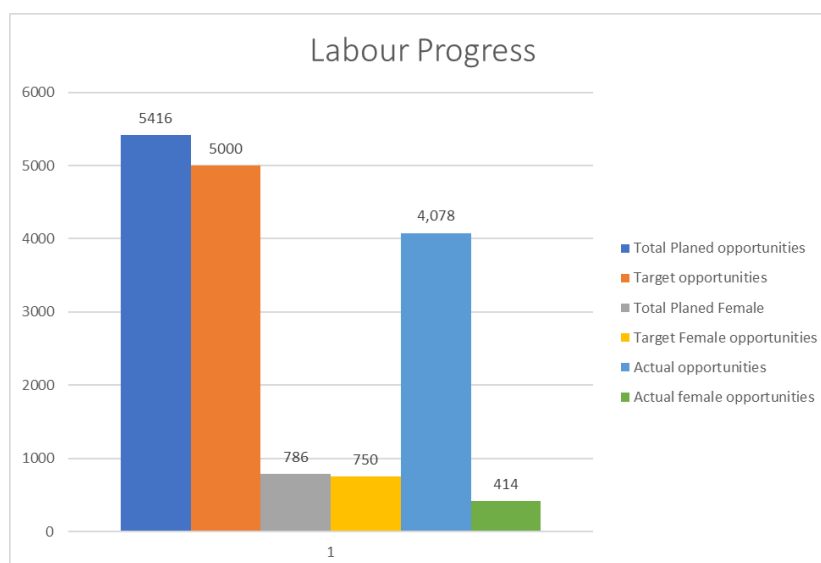


Chart 9: Progress of Temporary Job Opportunities





1.6 Results Framework

Table 16: Assessment of PDO Results

Indicator Name	Target	Achievement Progress
Number of municipalities that move up one rank in the performance assessment system	MTR Target: 50 End Target : 100	61 Municipalities - Graduated
People provided with improved urban living conditions	MTR Target: 250,000 End Target : 500,000	469,425 (222659 WB -- 246766 Gaza)
Municipalities with public disclosure of executed budget and executed SDIP	MTR Target: 50 End Target : 100	140 Municipalities disclosed the executed budget and the executed SDIP
Number of municipalities with operational and enterprise surplus and no increase in arrears	MTR Target: 60 End Target: 80	61 Municipalities have surplus with no increase in net lending

Table 17: Assessment of Intermediate Results

Indicator Name	Target	Achievement Progress
Number of municipalities graduated to category A	MTR Target: 10 End Target : 15	16 municipalities are ranked in A out of which (12 mun are graduated to A)
Number of municipalities completing sub projects within each cycle	MTR Target : 100 End Target: 140	108 mun completed all 1st cycle projects within the time frame of cycle 1. (89 WB, 19 Gaza)
Number of municipalities with functional complaint system	MTR Target: 44 End Target : 100	113 municipalities have functional complaint system
Percentage of investments financed under the project in adequate technical state and used as intended	MTR Target: 60% End Target: 80%	80% of W1 investment (subject to technical audit & usability assessment) are functional and used as intended.
% of beneficiaries satisfied with municipal sub projects executed under MDP 3	MTR Target: 70% End Target: 80%	85% (average satisfaction of beneficiaries regarding – relevance, coverage, impact, quality)
Percentage of municipalities satisfied with MDLF support	MTR Target: 85% End Target: 95%	Average satisfaction 89% in terms of MDLF support, interaction, transparency...etc.
Road Map for MDLF as Lending Intermediary consulted with relevant stakeholders	End Target: Yes	Achieved The road map was prepared and shared with DPs.
Municipal audit standard developed	End Target: Yes	Done by the GIZ
Number of municipalities with yearly increase in revenues collected by the municipality	End Target: 120	126 Municipalities have increased their own source revenues.
Number of municipalities reporting enhanced capacity to engage with private sector for municipal service delivery and/or local economic development	End Target: 25	To be measured after the completion of the PPP training, however, 5 municipalities who benefited from the CDI interventions financed by the VNG reported enhanced capacity in PPP



Number of subprojects completed by Gaza municipalities under the Additional Financing (Number)	End Target : 30	117 sub-projects have been identified and completed.
Number of temporary jobs created in Gaza by the Additional Financing (Number)	End Target: 5000	Actual : 4078 Planned by end of the project: 5416
Female beneficiaries (Number)	End Target: 750	Actual : 414 Planned by end of the project: 786
Number of Gaza municipalities successfully implementing an O&M activity (Number)	End Target: 25	Achieved: 25

1.7 Challenges and Obstacles

- There is a lack of commitment from the municipalities regarding the submission of the needed documents for MDLF appraisal and verification as requested. Additionally, it was noticed that the submitted design documents in some cases are neither complete nor acceptable.
- The ongoing crisis brought by the COVID-19 pandemic caused a delay to the planning and implementation of the project. Many sites were not allowed to be visited resulting in slow-down of the appraisal process in general.
- The GRM was performing well during the first cycle of MDP III, however, it is expected to face some difficulties during the current cycle, as cycle II already recorded some delay cases in the implementation of the purchase of vehicles spare parts sub-projects through the recurrent expenditure as well as the supply of hardware components related to capacity development packages.
- The consultation process associated with the documentation regarding the social safeguards took longer time than anticipated.
- The PA contribution of 10% to the project financing was not transferred on time, this issue was addressed with the MOLG and MOFP outlining the main concerns such as the disruptions of project implementation and the lack of commitment to the national municipal sector program.
- The municipal staff did not assume ownership of their projects in some cases, and they heavily relied on LTCs engineers, consultants and MDLF staff in quality control, and financial management, especially in the context of irregular payment of municipal employees' salaries due to the financial crisis being in place.
- There was a gap among the municipalities regarding their capacities especially in the ESMF requirements which lead to further works from MDLF and LTCs to ensure the compliance with standards and guiding procedures according to the MDLF operational manuals.
- The procurement for the different capacity development packages started simultaneously concluding large numbers of EOIs and technical proposals to be evaluated technically.
- The Slow process in response to financial management reforms: (an adaptation of new procedures, software, reporting and monitoring systems etc.).
- Year 2020 has an outstanding year with Covid 19 pandemic which had negative implications on the planned activities. The MDLF team had to replace the compressive workshops into small groups meeting to assure social distancing as well as the use of virtual meetings. The assignments took more time than anticipated.



2. Area C Development Programme in the West Bank – Package V “EU-DRO Fund”

2.1 Background

This action is based on the Financing Agreement “Support to Sustainable Economic Development and Enhanced Governance - ENI/2018/041-137”, the Financing Agreement was signed between the European Union (EU) and the Palestinian Authority (PA) on 18th June 2019.

The EU and PA agreed on the following approach with regard to projects implementation in Area C: “the Implementation of infrastructure projects in communities in Area C may start once a statutory outline plan has been formally approved by the Israeli authorities or is considered as tacitly approved if no major objection has been raised within 18 months following the submission of the plan by the Village Councils to the ICA”.



The Municipal Development and Lending Fund

(MDLF) has been nominated for implementation of basic infrastructure in Area C based on (i) the recommendation letter of the Ministry of Local Government (MoLG) on 20th of April 2016 and (ii) compliance to eligibility conditions and essential selection criteria as stipulated in the Technical and Administrative Provisions of the signed financing agreement [articles 2.1.2.1 (c+d)].

A Steering Committee composed of the European Union (EU), PA (Palestinian Authority), MDLF and of other donors financing the action was formed as an organizational set-up of implementing this program. The Steering Committee is mandated to discuss and endorse the localities as well as the selected projects to be implemented in the target localities in Area C.

The PA/MOLG and the MDLF prepared competitive selection criteria for the identification and selection of eligible localities and respective social infrastructure projects in Area C. These criteria were shared and discussed with financing partners (European Union “EU” and the Danish Representative Office “DRO” and finally approved by the Steering Committee meeting on 4th February 2020).

The selection criteria is composed of sub criterion starting from the high level eligibility and screening, followed by a competitive scoring of the eligible localities, and ending with a competitive selection criteria for projects. Upon that, a set of localities were nominated by MOLG/MDLF and then endorsed by the SC on 4th February 2020 to be targeted by this action.

Then, the MoLG and MDLF technical teams visited the shortlisted localities and respective projects. The EUREP, the Danish also participated in part of these site visits. Later, the technical teams discussed all nominated localities and projects and finally, the Steering Committee endorsed the selected social infrastructure projects under this act on the 28th of November 2017 concerning the AFD envelope and on the 6th of December 2017 concerning the DFID envelope.

It is worth noting that the proposed projects are based on the statutory outline plans (accompanied by detailed planning packages for transport, water, and wastewater networks as well as action plans for essential social and public infrastructure projects). These plans were developed in a participatory manner by the target communities and were supported by Non-Governmental Organizations (NGOs) or private urban planning firms. The statutory outline plans and the detailed planning packages were submitted to the PA and the Israeli Civil Administration (ICA). At the Israeli Civil Administration, the plans were registered and processed through a complex and cumbersome authorization process.



The communities developed the statutory outline plans and the action plans for essential social and public infrastructure in a participatory inclusive mode, taking the demographic and socio-economic development needs for the next 20 years into account. Accordingly, a set of sub-projects proposed in this action were suggested and identified by the local communities with the view to improve the quality of life for the inhabitants within those communities. These projects were re-confirmed during the identification phase of this action including approvals from the respective governmental bodies or ministries.

2.2 Description

Objectives of the Action

The overall objective (impact) of the action is to improve the social and economic conditions of Palestinian communities in Area C which is crucial for maintaining Palestinian presence in Area C and for the development of the Palestinian economy.

The specific objective (outcome) of the action is composed of two folds (i) to improve access to essential and public infrastructure in Area C; (ii) strengthening the Palestinian institutions' capacity to deliver essential social and public infrastructure in Area C.

Expected Outputs

It is expected to enhance the living conditions of 26,062 residents in 15 localities: (Almorooj (500)-Wadi rahhal –Abdulla Ibrahim (1819), -Alkhader municipality (1715)-Ras Elwad (900)-Um Addaraj(1009)-Ramadeen(4150)-Maeen(825)-As-Semia(571)-Izbat Shoufeh(1456)-Khirbet Fares(250)-East Aba(571)-Bir Albash(1725)-Qalqilya(2000)-Jensafout (2571)-Al-Ezariya(6000); through the implementation of 16 sub-projects as follows:

- **Roads:** Construction and rehabilitation of 5 different road's projects with a total length of 3.7 KM.
- **Schools:** Construction of new schools in three different localities. The total area is about 2,340 SQM.
- **Public Buildings:** Finishing works for the existing building in one locality, (total Area 800 SQM), the scope of work includes repairing, electrical and mechanical fixtures and painting, maintenance works for the kindergarten, construction of boundary walls, provision of furniture, and insulation works for the roof of the building, in addition to the construction of boundary walls.
- **Water:** Construction of 3 elevated water tanks with total capacity of 1250 Cubic Meters including transmission lines in 3 localities, construction of water networks in 2 localities including provision of house connection and water meters for one locality, the total length of water networks is estimated (11.75 KM).
- **Electricity:** Rehabilitation of existing electrical networks in 2 localities. The total length of the networks is estimated (3.2 KM).
- **Capacity development** of the concerned LGUs and community mobilization activities with regards to social public infrastructure implemented under the EU program in Area C.



2.3 Financing

The "MDLF" has received a grant from the European Union "EU" towards the cost of "Development of Area C in the West Bank "in a total of (Euro **5,775,142.31**). The agreement was signed on June 23th , 2020. Table 18 illustrates the budget breakdown.

Table 18: Breakdown Budget – Area C Development Programme –Package V

Item	Budget (Euro)
1- MDLF management fees (indirect cost) = 7% of direct eligible cost	377,650
2- Total Direct Eligible Cost	5,395,000
2.1 Other Costs and Services	55,000
Expenditure Verification/Audit	10,000
Evaluation Cost	15,000
Visibility Actions	30,000
2.2 Other	5,340,000
Legal Fees	15,000
Cost of Infrastructure Sub-Projects	4,890,000
Local Technical Consultancy for Design, Supervision and Communities Mobilization Activities	240,000
Technical support Expert/s	125,000
Consultancy for Civic Engagement	70,000
3- Provision for contingency reserve	2,492.31
Total Cost of the Action	5,775,142.31

2.4 Sub- Projects Identification and Description

The selected projects in the target localities were identified based on the outline plans and the action plans developed by the local consultancy firms/NGOs. The outline plans were validated by the communities through community participation workshops in the field, involving a broad spectrum of the affected communities, including the women, boys and girls and the elderly in the community, and then endorsed by the Ministry of Local Government.

The selected projects were visited by MDLF staff in collaboration with the MOLG where the council's members as well as the local communities there have emphasized the importance and vitality of those projects to their localities. The total allocated amount for sub-projects in the targeted LGUs in the West Bank is € 4,890,000. The allocated budget can be summarized in chart 10 and chart 11 below:



Chart 10: Distribution of Financing Per Sector

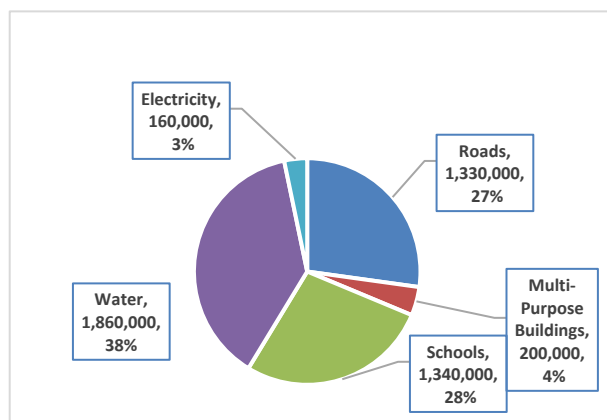
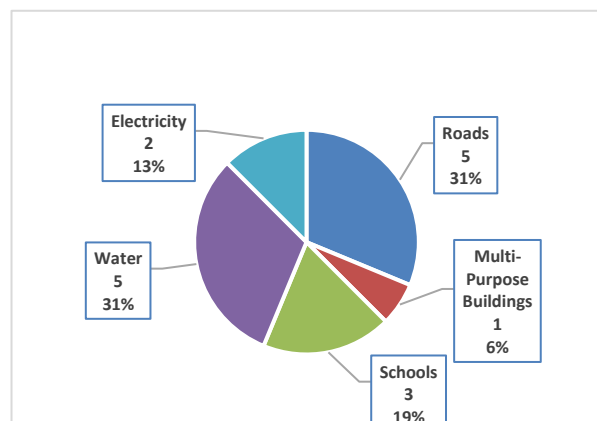


Chart 11: Distribution of Projects Per Sector



2.5 Implementation Progress at the Activity Level

2.5.1: Description of Activities undertaken during the Programme:

Since the signature of the agreement between MDLF and the EU, MDLF has started the coordination with the key stakeholders effectively (EU, the MOLG and the target LGUs) to meet the planned targets and to avoid any miss communication during the implementation. In this regard, MDLF had conducted several meetings with the MOLG and the target LGUs to make sure that all the preparatory activities were done regarding the permits and approvals from the inline ministries such as, getting the needed approval from the Ministry of Education for adding classrooms, getting the approval from the Palestinian Water Authority for expansion or construction of water networks, etc.

In parallel to effective communication with the key stakeholders, MDLF had contracted two local technical consultants in West Bank for design and supervision and a technical support expert to assist MDLF to follow up on the project activities.

The LTC's were contracted on 8th and 11th of October 2020 (LTC for North Area of West Bank) and (LTC for South Area of West Bank) and the TSE was contracted on July 1st 2020. Following the contract with the LTCs, a kick-off meetings were conducted to ensure a clear understanding from the consultant of the scope of work and the main tasks of the LTCs. Upon the kick-off meeting, the LTCs were requested to communicate with the target LGUs and conduct the field visits to projects locations to verify the description and the costing of the projects as well.

More focus on the works conducted during the reporting period, it could be summarized as per the following:

Preliminary Stage:

- A kick-off meeting with LTC representatives (North area) was conducted on November 11th 2020 and on November 24th 2020 with (South Area) to discuss the project components, allocations, and other issues.
- Field visits had been conducted to the target LGUs in all Governorates by MDLFs' engineers and the LTCs to introduce the team and start collecting the needed data.
- The field survey was carried out including the projection of all structures, manholes, poles, walls and any underground facilities if any within the effective corridor of the road project and within the effective area of the public facilities.
- Following the field investigation, MDLF and the LTC had communicated effectively with the planning department/MOLG to make sure that all the project sites are located within the master plan boundaries.
- A procurement plan (PP) was prepared for all the work packages where some of them are consultancy, non-consultancy services, works, and goods.
- Regarding the infrastructure sub-projects There are 12 NCB sub-projects (Works) with total allocation of € 4,510,000 forming amounting 91.00 %of the total allocated budget and 4 Shopping sub-project (works) with total allocation of € 380,000 amounting 9 % of the total allocated budget.



Design Stage:

To prepare a complete design for every single sub-project the following steps were taken:

- The needed design data were collected and the site investigation was conducted to decide and verify the steps needed in every single project.
- The collected data was represented in the format that would assist in preparing an environmental risk assessment and social risk assessment.
- A direct consultation was conducted with the target LGUs and line ministries to verify the required standards and design criteria.
- The LTCs with direct support from MDLF instructed the LGUs to create and organize an independent project file for every single project.
- The needed soil and structural investigations and tests were conducted for some projects.



Table 19: Implementation Status of Sub-projects

No	Locality	LGU	Governorate	Population ⁴	Recommended Title	Sector	Brief Description	Estimated Construction Cost (EUR) ⁵	Subproject status
1	Almorooj	Janata Municipality	Bethlehem	500	Development of Water Distribution Network	Water	The project will replace the current low capacity water supply line (1/2") with new water line (2") with total length of 1.8 KM. It includes upgrading the boosting station within Janata municipality jurisdiction.	100,000	Under tendering
2	Abdulla Ibrahim	Wadi Rahal Village Council	Bethlehem	1819	Renovation and development of an existing multipurpose building	Public Facilities	The project consists of finishing works for the existing multipurpose building (2 floors with total area 800 SQM), which comprises of community hall, village council premises and kindergarten, construction of boundary walls, provision of furniture, and insulation works for the roof.	200,000	Under Design

⁴ Data Source: MOLG

⁵ Excluding VAT.



No	Locality	LGU	Governorate	Population ⁴	Recommended Title	Sector	Brief Description	Estimated Construction Cost (EUR) ⁵	Subproject status
3					Development of Wadi Rahal Secondary Boys School	Education	The project consists of construction 3 new rooms (horizontal expansion) and staircase of total area 240 SQM, rehabilitation of existing school yard, entrance road to school, sanitary unit and upgrade the electricity connection. The land for the new classes lies within the existing school site.	220,000	Under design
4	Alkhader	Alkhader Municipality	Bethlehem	1715	Construction of an Internal Road in Al Khader town	Roads	The project consists of the construction of about 0.5 KM length. The works will include excavation, levelling, concrete sidewalks, retaining walls, boundary walls and road furniture, sanitary pipe line. The roads' width is 6 m and up to 1 m sidewalks each side.	290,000	Under design



No	Locality	LGU	Governorate	Population ⁴	Recommended Title	Sector	Brief Description	Estimated Construction Cost (EUR) ⁵	Subproject status
5	Ras Al Wad	Za'tara Municipality	Bethlehem	900	Construction of Ras Alwad Elementary Mixed School	Education	Construction of an elementary school comprised of nine (9) classrooms, laboratory premises, teacher's room, library premises, sanitary unit (toilets and septic tank), and external works. The furniture and equipment for the elementary school will be provided by the Ministry of Education. The total area of the school is 1,200 SQM.	630,000	Under design
6	Um Addaraj	Al Ka'beneh Village Council	Hebron	1009	Rehabilitation of the Electrical Network	Electricity	The project consists of rehabilitation of the existing network including poles, underground cables and transformer. The total length of the network is 2 KM.	70,000	Under tendering
7	Al Ramadeen	Al Ramadeen Municipality	Hebron	4150	Construction of an Elevated Water Tank and Main Transmission Line	Water	The project consists of construction of an elevated water tank of 500 Cubic Meter, the work consists of mobilization works, earth works, concrete works, piping works, external works, testing works. The works include supply and install of 1 KM of transmission line.	510,000	Under design



No	Locality	LGU	Governorate	Population ⁴	Recommended Title	Sector	Brief Description	Estimated Construction Cost (EUR) ⁵	Subproject status
8	Ma'een	Al Karmel Municipality	Hebron	825	Construction of the Secondary Girls School	Education	The project consists of construction of six (6) classrooms, in addition to science laboratory, teacher's room, library room, staircase (toilet units and septic tank), and external works. The furniture and equipment for the school will be provided by the Ministry of Education. The total area is about 900 SQM.	490,000	Under design
9	As-Semia	Al Samu' Municipality	Hebron	571	Rehabilitation of the Electrical Network	Electricity	The project consists of rehabilitation of existing network. The work consists of supplying and installing medium voltage cable 36 KV of 1.2 KM, transformation station of 36KV to 400KVA and development of low voltage network.	90,000	Under design
10	Izbat Shoufeh	Shoufeh Village Council	Tulkarem	1456	Construction of an Elevated Water Tank and Main Carrier Line	Water	The project consists of construction of an elevated water tank of 250 Cubic Meter, the work consists of mobilization works, earth works, concrete works, piping works, external works testing works and main carrier line of 1.7 KM.	370,000	Under design



No	Locality	LGU	Governorate	Population ⁴	Recommended Title	Sector	Brief Description	Estimated Construction Cost (EUR) ⁵	Subproject status
11	Khirbet Fares	Zabdah Al Jadeedeh Village Council	Jenin	250	Rehabilitation of Internal Roads	Roads	The project consists of reconstruction of two roads with total length of 0.75 Km. The roads' width is 4 m and up to 1 m concrete shoulders each side. The works also includes road furniture. The works includes the replacement of 0.4 KM water pipe line.	120,000	Under tendering
12	East Aba	East Aba Village Council	Jenin	571	Construction of Water Distribution Network	Water	The project consists of construction of water distribution network; work includes supply and install of steel pipe lines of different diameters (totalling 7.25 KM) and new valves of different types, house connections with water meters.	390,000	Under Tendering



No	Locality	LGU	Governorate	Population ⁴	Recommended Title	Sector	Brief Description	Estimated Construction Cost (EUR) ⁵	Subproject status
13	Bir Albasha	Bir Albasha Village Council	Jenin	1725	Construction of an Elevated Water Tank and Upgrading of Existing Water Distribution Network	Water	The project consists of construction of elevated water tank of 500 Cubic Meter, the work consists of mobilization works, earth works, concrete works, piping works, external works, testing works. The works also includes upgrading works for the existing distribution work to change the distribution method from direct pumping to gravity distribution.	490,000	Under design
14	Qalqilya	Qalqilya Municipality	Qalqilya	2000	Rehabilitation of an Internal Road	Roads	The project consists reconstruction of one road with total length of 1.2 Km. The roads' width is 6 m and up to 1 m concrete shoulders each side and; The road is considered commercial; the technical design should consider the traffic management and parking areas. The works will include excavation, levelling, drainage, concrete shoulders/sidewalks, and roads furniture/light, infrastructure works (electrical and sewage).	440,000	Under design



No	Locality	LGU	Governorate	Population ⁴	Recommended Title	Sector	Brief Description	Estimated Construction Cost (EUR) ⁵	Subproject status
15	Jensafout	Jensafout Village Council	Qalqilya	2571	Rehabilitation of an Internal Road	Roads	The project consists of construction about 0.75 KM length. The works will include excavation, levelling, and concrete shoulders, retaining walls, and roads furniture. The roads' width is 6 m.	190,000	Under design
16	Al-Ezariya	Al-Ezariya Village Council	Jerusalem	6000	Reconstruction of an Internal Road	Roads	The project consists of reconstruction of about 0.5 Km length. The works include electrical lighting, sidewalks and concrete shoulders, retaining walls, guardrails, and drainage storm water pipelines and manholes. The works includes also the road furniture	290,000	Under design
				26,062	Total Construction Estimated Cost (Excluding VAT)			4,890,000	



2.6 Beneficiaries/affiliated Entities and Other Cooperation

2.6.1 Key Stakeholders

The key stakeholders of the proposed action can be listed as follows:

- **The Ministry of Local Government “MOLG”** as the lead policy-maker and regulatory body for LGUs in Area C in the West Bank.
- **The Ministry of Civil Affairs “MOCA”** who coordinates with the ICA regarding the planning meetings and follow up the stop working orders/confiscation of equipment once happened.
- **The Prime Minister Office**, particularly the unit in charge of coordination the external support including Area C development interventions.
- **The Municipal Development and Lending Fund “MDLF”** as the selected implementing Agency for this action and will be responsible for managing the fund and do all the arrangements for successful implementation of the action.
- **The Local Government Units “LGUs”** where the proposed projects will be implemented and will be the owners and/or final beneficiaries of the public infrastructures that will be resulted from the action.
- **The Local Technical Consultant (LTCs)** who will be responsible for the design and the supervision of the infrastructure sub-projects.
- **The Contractors and Suppliers** who will be responsible for direct implementation of the sub-projects within the targeted communities and will be managed directly by the LGUs with technical support from the LTC and the MDLF.
- **The European Union as a donor** and other financing partners working in Area C, i.e the financing partners who are members or observers in the steering committee for instance Denmark
- **Association of Palestinian Local Authorities “APLA”** which is an independent organization aiming to represent and lobby for the collective interests of its members LGUs **(in general)**, **and** is currently managing **an intervention for institutional development for the LGUs (including Area C) funded by the EU.**

2.6.2 Coordination among the Key Stakeholders

In order to better follow up the activities of the proposed project effectively, a communication plan will be prepared. In this context, MDLF will coordinate closely with all stakeholders effectively during the whole project period. MDLF will work in close collaboration with the local technical consultant (LTC) as well as the LGUs and the MOLG to meet the planned targets and to avoid any miss-communication. Additionally, MDLF will coordinate its efforts with other stakeholders such as OCHA, the Prime Minister Office, the technical ministerial committee for Area C, and other key stakeholders.



The coordination between the key stakeholders will be conducted at different levels:

- MDLF will continue the dialogue and communication with OCHA regarding their work in area C that is relevant to MDLF interventions. MDLF has registered with OCHA notification system and a focal point was nominated to follow up on this issue from MDLF.
- As a member in the technical committee which was established by the Prime Minister's Office specifically to coordinate the work in Area C, MDLF will continue coordination with the technical ministerial committee regarding the interventions in Area C. The technical committee includes representatives from MDLF, Ministry of Local Government, Ministry of Education, Ministry of Health, Ministry of Jerusalem Affairs, and the Palestinian Water Authority. MDLF in this context attended all meetings for this committee and updated them about MDLF interventions in Area C.
- Furthermore, MDLF will coordinate with the Prime Minister Office particularly the unit in charge of Area C, to follow up all the work of the PA institutions and donor interventions in Area C.
- The high level communication between MDLF and the EU will be ensured to agree on the overall plan of the action regarding the budgeting, work packages, time frame. MDLF will coordinate closely with the technical team in the EU keeping them notified of the progress and achievements as well as of any delays or challenges might face the implementation. Furthermore, MDLF will early notify the EU in case of demolition/stop working orders of the projects from the Israeli authorities in order to take immediate action as needed.
- The Steering Committee of Area C as a high a level forum will be updated on the progress to oversee and coordinate the action implementation.
- The Ministry of Civil Affairs “MOCA” will coordinate with the ICA the planning meetings and follow up the stop working orders/confiscation of equipment once happened .
- The Association of Palestinian Local Authorities “ APLA” as an independent organization aiming to represent and lobby for the collective interests of its members LGUs **(in general), will be updated on this action to ensure the integration of** its ongoing projects in Area C concerning the institutional development. MDLF will provide the needed information to APLA (if requested) to assure the harmony and coordination of different interventions in Area C.
- A close communication between MDLF, MOLG and the target localities will be ensured to make sure that all the preparatory activities were done regarding the permits and approvals from the line ministries.
- A close communication with the local technical consultants: to ensure the clear understanding of the consultants regarding the scope of work, MDLF will prepare a clear TOR for the consultancy services of the design, supervision and technical assistance work package, the LTCs will be managed directly by MDLF.



3. Support to Area C in the West Bank – Package II “SDC Fund”

3.1 Description

This Project is based on the signed agreement between the Swiss Agency for Development and Cooperation “SDC” and the MDLF in November 2016, “Support to Village Councils- Area C Infrastructure “. As preparatory activities for this action, coordinated efforts took place to support Palestinian communities in Area C in the development of statutory outline plans. Those plans were developed in an inclusive participatory approach (including women, youth, and people suffering from disabilities). The developed plans were submitted and registered with the Israeli Civil Administration (ICA). The plans were discussed and complemented with detailed planning packages for roads, buildings, water, and wastewater networks.

At the local level, 116 plans have been prepared across the West Bank, only five out of them were approved by the ICA. However, the remaining ones are currently in progress as (7 plans) were announced for public objection, (90 plans) passed ICA procedures (submitted to ICA) and subject to technical discussion, and (14 plans) are still in the process of data collection and preparation.

The statutory outline plans and the action plans were prepared for a set of villages in area C taking into consideration the demographic and socioeconomic needs including the priorities for such development per each sector. Accordingly, a set of subprojects was suggested and identified by the local communities to be implemented within the boundaries of the statutory outline plans. All proposed projects are public and social infrastructure aimed at improving the quality of life for the inhabitants of those localities.

Objectives and Expected Results (as per the agreement)

The overall objective of this project is to improve the social and economic conditions of the Palestinian communities in Area C which is critical for maintaining Palestinian presence in Area C and for the development of the Palestinian economy.

The specific objective of the project is to improve access to basic infrastructure in Area C through supporting the communities with basic services including "community development projects, small-scale infrastructure, social infrastructure projects, and educational facilities".

Target Localities (1 st Cycle)	Target Localities (2 nd Cycle)
- An-Nabi Elias, Wadi Al Rasha/ Qalqilia Governorate - Shufa/ Tulkarm Governorate - Yanun/ Nablus Governorate - Harmala/ Bethlehem Governorate - Kirbit Um Dyounf and Jib Eldeeb/ Bethlehem Governorate - Al-Midya/ Ramallah Governorate	- Al Aqaba / Tubas Governorate - Iskaria, Keesan /Bethlehem Governorate - Susia, Um Alkhair, Al Nijada / Hebron Governorate - Deir Qaddis / Ramallah Governorate - 135 localities in Area C have been supported for Covid 19 response.

The approved sub-projects were identified based on the community needs concerning the services delivery improvement including: "rehabilitation/construction of water networks, building schools/ adding classrooms, parks and recreation, electricity services, roads construction, and rehabilitation".



Expected Results (1st cycle)

- Roads: Construction and rehabilitation of four different road-projects at four different localities with a total length of about 2.5 km.
- Schools: Expansion and development of the elementary school. The total area of the project is about 850 sq.m.
- Spring: Rehabilitation of an existing spring including the construction of a stone-wall to protect the spring, including fencing, concrete shoulders, collection manhole, and an entrance gate.
- Water: Reservoir construction of around 70 cubic meter capacity, and 1.6 km 4" water main pipeline and a 400 meters long internal water network.
- Public Park: Construction of a public park at one locality with a total area of 2000 sqm.



The expected direct beneficiaries from the proposed action are nearly 8,390 inhabitants, distributed among the seven-targeted localities.

Expected Results (2nd cycle)

- Roads: Construction and rehabilitation of three different road-projects at three different localities with a total length of about 4.0 km.
- Schools: Construction of elementary school. The total area of the project is about 1,200 sqm.
- Rehabilitation of an existing school around 500 sqm.
- Public Facilities: development of an existing clinic.
- Electrical services: providing electrical lights (photocell) system.
- Water: Reservoir construction of 250 cubic meter capacity.
- Kinder garden Yard and VC Park: rehabilitation and landscaping.

The expected direct beneficiaries from the proposed action are nearly 10,000 inhabitants, distributed among the seven-targeted localities.

Table 20: Assessment of Outputs Results

	1 st Cycle Projects		2 nd Cycle Projects	
# of localities	7		7	
# of Projects	8		9	
# of Population	8,390		10,000	
Sector	Target	Achieved	Target	Achieved
Roads	2.5 Km	2.6 Km	4 Km	4 Km completed
Schools	850 Sq.m	850 Sq.m	1,700 Sq.m	Ongoing
Water	- 2 Km network, - One Reservoir 70 cubic meter capacity, - Spring rehabilitation	- 2.3 Km network - One Reservoir 70 cubic meter capacity, - Spring Rehabilitation	Reservoir 250 cubic meter capacity	Ongoing
Public Parks	2000 Sq,m	2000 Sq.m	Landscaping of kinder garden yard	Completed
Electricity	-	-	Installation of PV lighting	Completed 85 Units Solar Electrical Poles + Generator
Clinic	-	-	Development of existing clinic	Completed Medical equipment's already supplied
Emergency Response	-	-	Supplies of health materials/disinfectants to combat Covid-19 in Area C	completed
	-	-	Supply and Delivery of Plastic Solid Waste containers 240 litres	Completed



3.2 Financing Partner Contribution

The SDC granted the MDLF a contribution of **EUR 2,885,714** to be utilized for supporting several villages in Area C. The financing agreement was signed on November 17th, 2016 for four years. The agreement was amended to include additional financing to support 135 localities in Area C for COVID 19 - emergency response totalling **EUR 721,739**. Accordingly, the final budget of the agreement reached **EUR 3,607,453**. Another amendment took place as zero cost extension to overcome the delays resulted from the lock down due to COVID-19 pandemic, where the end date of the agreement was extended until the end of June 2021.

3.3 Sub- Projects Identification and Description

Cycle 1

The selected projects at the targeted localities were identified based on the outline plans and the action plans developed by the consultancy firms under the direct supervision from MOLG. The outline plans were validated by the communities through community participation workshops in the field, involving a broad spectrum of the affected communities, including the women, boys and girls and the elderly in the community, after which it was endorsed by the Ministry of Local Government.

The selected projects were paid visits by MDLF staff in collaboration with the MOLG, where the council's members as well as the local communities there have emphasized the importance and vitality of those projects to their localities.

There is a component that would be directed at supporting the selected localities with social and infrastructure sub-projects. The total allocated amount for sub-projects in the targeted localities in the West Bank is €1,140,000 for cycle 1 and 1,313,289 for cycle 2 .

The Breakdown of the sub-projects allocation by governorate is illustrated in **Table 21**.

Table 21: The Distribution of Allocated Budget by Governorate

1 st Cycle			2 nd Cycle		
Governorate	Total allocations (Euro)	Percentage%	Governorate	Total allocations (Euro)	Percentage%
Qalqilia	435,000	38.15%	Tubas	196,460	14.96%
Tulkarm	130,000	11.40%	Hebron	332,260	25.30%
Nablus	25,000	2.20%	Bethlehem	707,354	53.86%
Bethlehem	440,000	38.60%	Ramallah	77,215	5.88%
Ramallah	110,000	9.65%			
Total	1,140,000	100.00%	Total	1,313,289	100.00%



The approved sub-projects are classified into four sectors as shown in **Table 22** below:

Table 22: The Distribution of the Services Component Allocated Money by sectors

	1 st Cycle		2 nd Cycle	
Sector	Value (Euro)	Percentage	Value (Euro)	Percentage
Roads	440,000	38.6%	389,725	29.67%
Water	240,000	21.1%	186,460	14.20%
Public Facilities	100,000	8.8%	44,238	3.37%
Schools	360,000	31.5%	692,866	52.76%
Total	1,140,000	100.00%	1,313,289	100.00%

3.4 Implementation Status

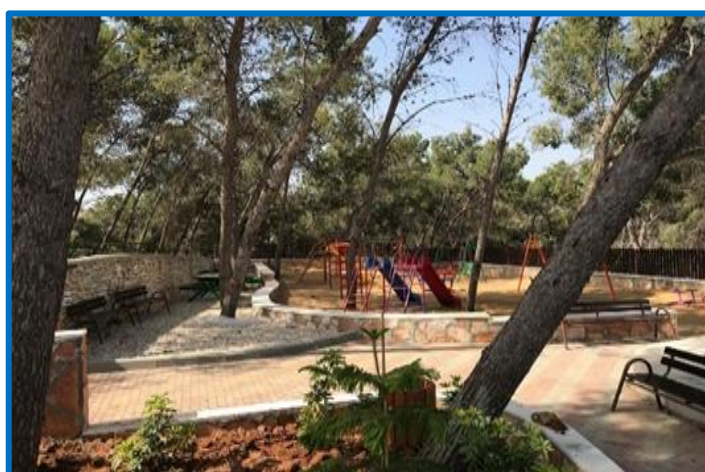
Since the signing of the agreement between MDLF and the SDC, MDLF started the coordination with key stakeholders (SDC, the MOLG, and the target LGUs) to meet the planned targets and to avoid any miscommunication during the implementation phase. MDLF conducted several meetings with the MOLG and target LGUs to make sure all the preparatory activities were done in regards to permits and approvals from line ministries including getting needed approvals of the Ministry of Education for adding classrooms, getting the approval of the Palestinian Water Authority for expansion or construction of water networks...etc.

Contracting LTC:

- Two LTCs were contracted to support the design and the implementation of the infrastructure sub projects, one was responsible for cycle 1 and the other is responsible for cycle 2.
- A clear TOR was prepared for the consultancy service of the design and the supervision work package (i.e. LTC assignment), where the MDLF is responsible for technical review of the LTCs deliverables.
- More focus on the works conducted so far could be summarized as the following:

Preliminary Stage:

- Field visits were conducted to the target LGUs by MDLF's Engineers and the LTCs to know each other and to introduce the team and start collecting the needed data.
- The field survey was carried out including the projection of all structures, manholes, poles, walls and any underground facilities if any within the effective corridor of the road project and within the effective area of the public facilities.



- Following the field investigation, MDLF and the LTCs had communicated effectively with the planning department/MOLG to make sure that all the project sites are located within the master plan boundaries.
- A procurement plan (PP) was prepared for all the work packages (in both cycles).



Design, Tendering, and Implementation Stage:

To prepare a complete design for every single sub-project, the following steps were undertaken:

- The needed design data were collected and the site investigation was conducted to decide and verify the steps needed for every single sub-project.
- The collected data were represented in the format that would assist in preparing an environmental risk assessment and social impact and social risk assessment.
- A direct consultation was conducted with the target LGUs concerning the legal status and license for each project and also consult the LGUs as well as with the line ministries to verify the required standards and design criteria.
- The LTCs with direct support from MDLF instructed the LGUs to create and organize an independent project file for every single sub-project.
- The needed soil and structural investigations and tests were conducted for some sub-projects.
- The licenses from the concerned line ministries were obtained.
- The design was completed and finalized.
- The tendering documents were prepared following the MDLF procurement manual.
- The implementation has been progressing where the 1st cycle projects had been completed however the 2nd cycle projects are either ongoing or tendering as shown in the below tables 23, 24.

Table 23: Status of Projects (cycle 1)

No	Locality	LGU	Governorate	Sub-project	Status	Allocated Budget (EUR)	Contracted Amount (EUR)	Achieved Output
1	Yanun	Aqraba Municipality	Nablus	Rehabilitation of Yanun Spring	Completed	25,000	28,844	The project consists of construction 15 L.m gravity wall (Boulders) (Marabee') 6m height, 100 l.m fence, concrete manhole 2*2 *3 m , water pump, concrete shoulders 1m*80 m.l and gate entrance. Providing water to citizens.
2	An-Nabi Elias	An-Nabi Elias Village Council	Qalqilia	Rehabilitation of Internal Roads	Completed	120,000	94,000	Rehabilitation of 600m roads, 5.5 m asphalt, 6.5m Base course, milling and overlay, walls, signs, Boulders Marking and concrete shoulders as needed.



No	Locality	LGU	Governorate	Sub-project	Status	Allocated Budget (EUR)	Contracted Amount (EUR)	Achieved Output
3	An-Nabi Elias	An-Nabi Elias Village Council	Qalqilia	Construction of a public park	Completed	100,000	96,855	Rehabilitation of the park main entrance road in a total 130 m. Building of stone walls, retaining boulders, kids games, Italian walls, supplying of sanitary unit, Interlock, natural tiles, fencing, gate, lightning, sand, agricultural soil, kiosk, seats, trees and games. Park was built on 2000 meter square.
4	Shufa	Shufa Village Council	Tulkarm	Rehabilitation of Internal Roads	Completed	130,000	82,405	Rehabilitation of about 700 m roads, 5.5 m asphalt, 6.5m base course, including stone walls, guard-rail, signs, marking and concrete shoulders as needed.
5	Wadi Al-Rasha	Habla Municipality	Qalqilia	Water Reservoir, Water Network Rehabilitation	Completed	215,000	194,604	Construction of water reservoir 60 m ³ , and construction of internal water network 0.48 k.m, 1.8 Km of main pipeline and booster line and pump
6	Al-Midya	Al-Media Village Council	Ramallah	Rehabilitation of Internal Roads	Completed	110,000	89,629	Rehabilitation of Internal Roads 800 m roads, 4-5.5 m asphalt, 6.5m Base course, milling and overlay, walls, signs, Boulders Marking and concrete shoulders as needed.
7	Kirbit Um Dyouf & Jib ElDeeb	Beit Ta'mir Village Council	Bethlehem	Rehabilitation of Access Roads	Completed	80,000	75,820	Rehabilitation of about 500 m roads, 3 m asphalt, 4m base course, including stone walls, guard-rail, signs, marking, retaining wall and concrete shoulders as needed.
8	Harmala	Janata Municipality	Bethlehem	Expansion and Development of Existing School	Completed	360,000	376,732	The project consists of adding 6 classrooms, Teachers room, lab, sanitary unit, 2 stores and staircase. in a total of 850 m ² .
Total						1,140,000	1,039,435	



Table 24: Status of Projects (cycle 2)

No	Locality	LGU	Governorate	Sub-project	Status	Allocated Budget (EUR)	Contracted Amount (EUR)
1	Keesan	Keesan VC	Bethlehem	Construction of Elementary School	Ongoing	667,916	591,982
2	Iskaria	Iskaria VC	Bethlehem	Rehabilitation of existing school	Completed	24,950	30,299.2
3	Iskaria	Iskaria VC	Bethlehem	Development of existing clinic	Completed	14,488	16,780
4	Susia	Susia VC	Hebron	Lighting solar system	Completed	19,750	13,825
5	Um-Alkhair	Um-Alkhair VC	Hebron	Rehabilitation of internal roads	Completed	183,080	176,840
6	Al-Nijada	Al-Nijada VC	Hebron	Rehabilitation of Internal Roads	Completed	129,430	140,709
7	Dei-Qaddies	Deir-Qaddies VC	Ramallah	Rehabilitation of Access Roads	Completed	77,215	69,171.12
8	Al-Aqaba	Al-Aqaba VC	Tubas	Construction of Water Reservoir	Ongoing	186,460	199,338.7
9	Al-Aqaba	Al-Aqaba VC	Tubas	Kinder garden and VC yard rehabilitation works	Completed	10,000	-
Total						1,313,289	-

Support to Village Councils in Area C – COVID19 Emergency Response

The Local Government Units (LGUs) in Palestine are at the forefront for delivering basic services to citizens, of which are critical services to combat the outbreak of COVID-19. The LGUs have been facing increasing demand for relief assistance and public health measures. They are overburdened trying to provide immediate response given their lack of resources.

One of the critical support needed in this regard is the public health response to COVID-19 at the local level. This support aims to enhance the LGUs response to combat the COVID-19 in general, by targeting 135 localities located in Area C with protective supplies.

Through the implementation of the project, the outputs can be summarized as follows:

- Supplies of health materials/disinfectants to combat Covid 19 for 135 localities in area C.
- Solid waste containers supplied for the target localities (around 11,000 containers of 240 Litre to be distributed among 135 localities proportionally)

The allocated budget is 671,217, (75%) were used for supplying localities (around 11,000 containers of 240 Litre to be distributed among 135 localities proportionally), and (25%) were used for Supplies of health materials/disinfectants to combat Covid 19 for 135 localities in area C.

In terms of implementation status

- Fund was allocated for the target localities along with clustering of localities geographically.
- Supplying solid waste containers and protective materials already completed by December 2020.



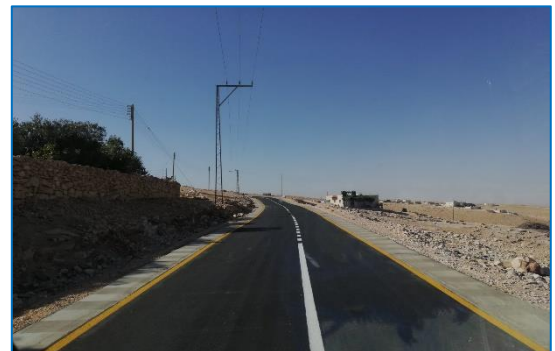
Al Aqaba Reservoir



Kisan School



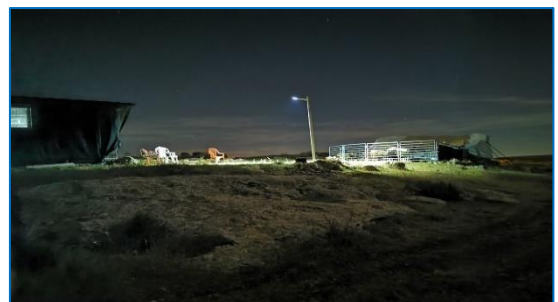
Iskariya Clinic



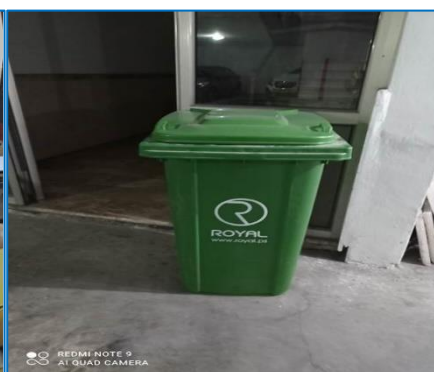
Um Alkhair Road project



Deir Qaddies Road Project



Susia Project



Support the Area C Localities with Disinfection Materials and Solid Waste Containers



Community Engagement (Cycle 1)

The Communities Mobilization Activities were agreed to be addressed throughout implementation of the intervention. Such activities are expected to achieve harmonization between the soft component (i.e. the civic engagement and social accountability) and the hard component (i.e. the construction of social and infrastructure sub-projects) making the project more effective.

It was agreed to incorporate the mobilization activities within the scope of the local technical consultant (LTC) through a mobilization expert where the following activities have been conducted:

- Integrate the final beneficiaries in the conceptual design of the sub-projects (i.e. the collection of beneficiaries' requirements).
- Induce awareness of the citizens and the LGUs councils' members on the activities of the project and the projects related data.
- Provide awareness workshops to the local communities to engage them in the design of social/environmental mitigation measures as part of the ESMP.
- Assure orientation to the citizens on the complaints mechanism within the framework of social accountability.
- Spread awareness among the citizens about the action plans and updates the communities' development priorities in a participatory manner.
- Support the LGUs to report to MoLG about their needs (technical and financial).

Mobilization plans were prepared based on a social analysis through identification of the community's characteristics and needs. The mobilization expert consulted the local communities in the target localities to ensure harmony between desired civic engagement, social accountability and the process of implementing social and infrastructure projects. As a summary of the conducted activities:

- Invitation of the LGUs' members and local stakeholders to discuss project components activities and influences.
- Focus group meeting.
- Awareness workshop meetings with local community people, such as: women, youth and decision makers on social aspects.
- Awareness meeting with citizens about updating their recommended priorities.
- Train/ motivate orientate citizens on compliance when there is a social violation.
- Interviews with the local community people in project area by end of the project to assess the community satisfaction.
- Distribution of a questioner to 15 random community members in the area.



More focus on the quality of community involvement, it is worth mentioning that the issues that were discussed during the social mobilization activities and brainstorming sessions with stakeholders included: i) identifying their new and urgent priorities for the next stages, ii) defining the nature of the task on hand, and iii) identifying the views of the participants in current projects in order to assess their perceptions in this regards.

For instance, this included defining the activities of the projects including the stages of excavation, and to settle possible confusions during the implementation. Participants, often the LGU councils, teachers, women, and youth organizations among other stakeholders were made aware of how important it is for them to participate in, and to contribute to, the process of planning, designing, and selection of future projects. Other issues discussed included defining the mechanisms of objections and complaints in the event of social or environmental impact of the projects.

The outcomes of these meetings and workshops shed the light on the marginalization of these areas; thus, it is in of utmost urgency to help lay down roads, provide health and sanitation networks, build schools and kindergartens, construct clinics and health centers, provide public parks and construct multipurpose buildings as stated by the women in the target localities. In addition, the needs of the youth were addressed highlighting their involvement at the local governmental level as well as the need to improve their capacities and skills in decisions making. Furthermore the concepts of volunteering, and the issues of transparency and social accountability were also addressed throughout the meetings and workshops with the local communities.

In summary, the activities held in the meetings included a discussion with local stakeholders on the projects components, activities, and influences. Conducting awareness workshops with local women and youth on environmental and social management and holding awareness meeting with citizens about updating their recommended priorities. The workshops provided training, motivation, and orientation for citizens on complaints in case of social and environmental impact. Finally, community questioners will be distributed at the end of the project to assess the communities' satisfaction with the services provided by the projects.

All of the involved LGUs nominated and chose realistic options for their projects despite the fact that the community representatives, as part of their learning process, always faced difficulties in identifying their priorities, due to both issues of mutability as well as Israeli limitations. Through meetings with teachers, students, women groups, and LGUs: the mobilizer worked diligently with the attendance to crystallize their priorities.

It is worth mentioning that the activities resulted with a number of successful outcomes including providing capacity building for (20 to 50) participants at each locality, mainly LGU members and stakeholders. It also resulted in forming support committees. Yet, the most noticeable outcome was getting people to work together towards a viable dialogue between the citizens and their LGUs in the framework of social accountability for better services delivery.





Table 25: Community Engagement – Cycle 1

No.	Locality	Governorate	Population	% of Participation	Quality of Participation	Outcomes
1	Shufa	Tulkarm	3,000 Direct beneficiaries = 3000 Inhabitant	1.0 % Women precipitation (5% of total participation)	- Three meetings with the local council. - Three meetings with 20 of people as focus group. - Interviews with local people in project area.	- Capacity building for the 20 participants. - Forming local supporting communities. - Community participation and contribution. - No major obstacles and difficulties or violation events. - People fully cooperate to fulfil any of their responsibilities.
2	Wadi-Al Rasha	Qalqeliah	400 Direct beneficiaries = 400 Inhabitant	5% Women precipitation (0% of total participation)	- Four meetings with LGUs - Four meetings with the local communities (13 participants) - Interviews with the people who lived in project area.	- Capacity building for the 13 participants. - Forming local supporting communities. - Community participation and contribution. - No major obstacles and difficulties or violation events. - People fully cooperate to fulfil any of their responsibilities.
3	An Nabi Elias	Qalqeliah	1950 Direct beneficiaries = 1950 Inhabitant	1% Woman precipitation (5% of total participation)	- Three meetings with LGUs - Three meetings with the local communities 20 participants - Interviews with the people who lived in project area.	- Capacity building for the 20 participants. - Forming local supporting communities. - Community participation and contribution. - No major obstacles and difficulties or violation events. - People fully cooperate to fulfil any of their responsibilities.



No.	Locality	Governorate	Population	% of Participation	Quality of Participation	Outcomes
4	Yanun	Nablus	40 Direct beneficiaries = 40 Inhabitant	25% Woman precipitation (1% of total participation)	- Three meetings with LGUs - Three meetings with the local communities 10 participants - Interviews with the people who lived in project area.	- Capacity building for the 10 participants. - Forming local supporting communities. - Community participation and contribution. - No major obstacles and difficulties or violation events. - People fully cooperate to fulfil any of their responsibilities.
5	Al-Midya	Ramallah	1800 Direct beneficiaries = 1000 Inhabitan	1.2% Woman precipitation (2% of total participation)	- Three meetings with LGUs - Three meetings with the local communities 20 participants - Interviews with the people who lived in project area.	- Capacity building for the 24 participants. - Forming local supporting communities. - Community participation and contribution.
6	Beit Ta'mir	Bethlehem	1200 Direct beneficiaries = 100 Inhabitan	1.2 Woman precipitation (0% of total participation)	- Three meetings with LGUs - Three meetings with the local communities 20 participants - Interviews with the people who lived in project area.	- Capacity building for the 20 participants. - Forming local supporting communities. - Community participation and contribution. - No major obstacles and difficulties or violation events. - People fully cooperate to fulfil any of their responsibilities.



Satisfaction Survey (cycle 1)

In order to measure the projects social impact in community satisfaction level. Three different sources were used to gather data

- A. Gathering data from focus group which held with LGUS member and community representative in the focus group meeting we discussed the project impact on social dimension and the difficulties which could be faced through the process of work. Also, the meeting discusses the community needs in the future and the priority of these projects.
- B. Interviewing the people who lived in the same area during the field visit asking them about the project before, during and after the complementation, also the social impacts will be taken into consideration, especially in the community development.
- C. Special questionnaire was designed to measure the social and environment impact for each kind of projects.
 - Questionnaire for roads and roads rehabilitation.
 - Questionnaire for the park.
 - Questionnaire for water tank and water network
 - Questionnaire for the schools.

The MLDF specialist given the approval for each kind of these questionnaires before collecting the data.

Random sample of 15 was selected to distribute the questionnaire, those people are directly influenced by the project. Data analysis were used by the SPSS statistic technic.

The results as shown in table 28, 29, 30, 31 indicate a positive attitude towards the social and environmental impacts. The satisfaction level of those people is very high with the different kind pf projects; therefore, these projects encourage the community to implement more projects in the future.

More than 90% of the respondents strongly agreed with the social positive impacts, such as:

- The project will develop the area and community living style.
- Most respondents agree with importance of community participation which strength the relationship between the community and LGU members.
- The community participation reduces the difficulties and problems which accrue before and during the work.
- The community participation will enhance the democratic way in decision making and behavior.
- These projects will increase the economic productivity and encourage the people to build houses in that area and limit the Israeli settlement expansion.
- The results revel that the awareness workshops which held at the beginning of the project achieve their goals and met their expectation.



Community Engagement (Cycle 2)

The social assessment phase was conducted including the field visits and environmental management measures, in addition to the social community mobilizing activities to enhance the community participation within the projects' implementation period in the targeted locations. Several results and achievements on the level of social management and community mobilization and participation were recorded.

The preparatory steps through the prior coordination with the local councils and the preparation of the social assessment and community mobilization documentation were done, including: (social assessment form, environmental and social assessment form, field visit form, social and environment management plan form, guiding form on the project and the social management measures).

To guarantee the successful initiation of the implemented sub-projects and to get the support of the local communities, the local councils were made aware of the importance of pre-announcing for the sub-projects prior to implementation using the social media tools. The potential targeted groups and individuals were informed about the projects keeping in touch with them during the implementation to ensure their full support in all implementation stages.

Introductory community workshops were conducted with local community stakeholders and representatives, and with neighboring communities of reach sub-project. The aim was to inform the individuals and the communities about the sub-project idea, its design and to guarantee that the potential social and environmental impacts are being considered for each sub-project. In addition to get inputs from the local inhabitants regarding the potential social and environmental risks and to gauge their role in cooperation to implement these suggested sub-project and ensure their active participation in all project steps.

Moreover, the social assessment was conducted to understand the potential effects on the people and individuals effected in the project locations. Field visits were conducted to identify the nature of the social impact of the suggested interventions.

The social assessment results showed that the implemented sub-projects including establishing and rehabilitating of schools, internal roads paving, establishing a water tank in Al Aqabeh area and rehabilitation of the health clinic in Iskarya and providing solar power in Susiya did not have any negative effects on the individuals and the surrounding population. With the exception of the school in Iskariya through which an insulated roof was added to the existing school building which might have been dangerous for the students attending the school classes at the beginning stages of the implementation process. This made the contractor and the project supervisors to take safety measures and coordinate with the school administration not to do the work during the schooling hours.

On the other hand, awareness and mobilizing activities were conducted for the targeted local councils regarding all aspects of social and environmental management and community participation. The activities aimed at increasing the awareness of the local councils regarding the importance of communicating with the citizens and enhance their involvement in the sub-projects implementation stages, which will in return increase the citizens' ability to report their perspectives on any negative impacts that might result from implementing the sub-projects.

In addition, the activities aimed at encouraging the local councils to use new tools and ways to announce for new projects for their communities through the social media, this will encourage the local communities to actively participate in the process of project implementation or use their rights to complaint and suggest solutions to resolve the challenges and problems that might arise during the sub-projects implementation phases.



Satisfaction Survey (cycle 2)

In the same context, a citizen's satisfaction assessment of the sub-projects implemented in the targeted locations was conducted. The assessment utilized a variety of tools to collect data which included: conducting 6 focus groups with a sample of stakeholders in the targeted locations, in addition to the design of a specialized questionnaire to assess the social and environmental impacts which was tailored to the different types of sub-projects, with specific reference to the roads, school constructions, water tank in Al Aqaba, providing the health clinic in Iskaria, and providing the lighting through the solar power for Sosya.

The participants were between 13 to 15 in each focus group and it was noticed that there was an adequate number of youth and women. The sample for the social impact assessment reached 86 participants; out of which 21 were female participants, and 19 youth under the age of 29. It is worth mentioning that the sampled participants is considered a good indication when compared with the fact that usually the participation of youth and women is very low in these marginalized areas also considering the limited experience of the local councils in enhancing the community participation and mobilization.

Regarding the results of the social impact assessment, the following are key conclusions:

The results showed that a high percentage of participants who took part in the assessment clearly show satisfaction of the implemented projects as they resemble the priority for them and considered of high importance since these targeted locations in area C suffer from weaknesses in the infrastructure specifically in roads and public facilities. Therefore, 98 Percent of participants from the 6 targeted locations assured that the implemented projects are of high priority to their local communities, however, in Sosiya the percentage was slightly less with 93 percent, where they think its an important project but not a priority because paving the roads for them is their first priority, yet the Israeli occupation prevents them from implementing any infrastructure projects.

Moreover, the results showed that 93 percent of the participants reported that the roads projects help the individuals from the neighboring locations to reach their lands and their farms in addition to facilitating reaching their homes. Such projects also encourage citizens to build more houses. The results also show positive evaluations of these projects especially in regards to improving and enhancing the services in the villages and facilitating the movement of individuals.

Another 77 percent of participants in the assessment indicated that the implemented projects in the targeted locations did not face challenges during the implementation phase, whereas, 92 percent ensured that the implemented projects contributed to the enhancement of the positive communication between the community members. In addition, 93 percent said that the projects were implemented with an adequate time framework without any delays with the exception of the school in Kisan, which is still under implementation.

In the same context, 88 percent indicated positive perceptions of the local community participation which in their views decreased the implementation challenges. They also emphasized the importance of enhancing and expanding community participation by using different tools to communicate with the local communities as for example the use of the social media tools, direct meetings, the Friday prayers and the mosques, and public events in order to inform the citizens of the implemented projects and increase their active participation.



3.5 Obstacles and Challenges

- The lack of capacity and skills of most LGU's staff to design their sub-projects to prepare the Environmental and Social Management Plan "ESMP", to overcome this challenge the LTC has conducted on-job training focusing on the social and the environmental safeguards in accordance to MDLF working procedures.
- The low capacity of the LGU's in procurement procedures and bidding documents preparation.
- The coordination with MOLG took more time than anticipated, especially for the verification of project locations (within/out of the outline plans).
- The school project in Kisan was subject to verbal stop working order by the Israeli Authorities without any official documents along with a confiscation of equipment twice. The project was suspended for few months until being resumed recently early July 2020.
- The work was suspended for two months due to the government measures and movement restrictions across the west Bank to prevent the spread of Covid 19 pandemic.

3.6 Lessons Learnt and Recommendations

- Continue strengthening the LGU's institutions and improving their staff capacities through on job training and transfer of know-how. This will enable the LGU's to be an efficient and sustained institution.
- Pay more attention to training and workshops especially for social and environmental aspects.
- More attention has to be ensured from the beginning regarding the project's identification and description, particularly the road sub-projects.
- Both LTC and contractors should be aware of the different risks entailed and mitigation measures.
- Technical support to the LGU during the bidding stage is needed.
- Equipment confiscation, detention, or demolitions are the main risks for contractors, minimum legal knowledge of the ICA procedures will provide clues to the suitable time to implementation. In the case of Stop-order was given, contractors must stop immediately or change the tactics. Action: See the above actions; also. Legal fees were added.
- Communication between all stakeholders is an essential risk mitigation measure. MDLF and donors need to be informed immediately in case of risks materialized.



4. Gaza Vulnerable Communities Development “SDC Fund”

4.1 Introduction

Gaza Vulnerable Communities Development (GVCD) is a program that was designed to improve the process of providing basic services to the marginalized populations in Gaza Strip, and to increase the accountability at the local municipalities, as well as boost civic duty and participation among vulnerable populations in issues related to local planning and decision-making processes. GVCD aligns with the Palestinian Authority policies, namely the National Policy Agenda of 2017-2022, and the draft of the Local Government Strategic Framework and the new MDLF Strategy (2017-2021). It further implements the state-building agenda, the Human Right Based Approach (HRBA) of the current Cooperation Strategy (2015-2018).

It is worth noting the GVSD was designed to complement the Municipal Development Program in responding to the vulnerable communities in providing accountable municipal services.

4.2 GVSD Description

GVCD will be implemented over 9 years in three consecutive phases (each phase starts every three years), and to start the first phase in (2017 – 2020).

Gaza Vulnerable Communities Development aims at:

- Improving and enhancing accountability at local service delivery for vulnerable communities.
- Strengthening local authorities' accountability toward citizens and civic groups' (youth, women and Neighborhood Committees) and citizens' participation in local decision-making processes.

The Program seeks to respond to continued high demand for basic services among vulnerable communities who are often left behind as well as to strengthen their capacity to participate in local decision-making processes with a focus on the three components:

- Component 1: Improving accountable service delivery for vulnerable communities through (10-15) small infrastructure projects.
- Component 2: Increasing Civic Participation & Social accountability of vulnerable communities in local decision-making and community development.
- Component 3: Enhancing Policy Dialogue on vulnerability Issues in the LG sector.

4.3 Implementing Partners

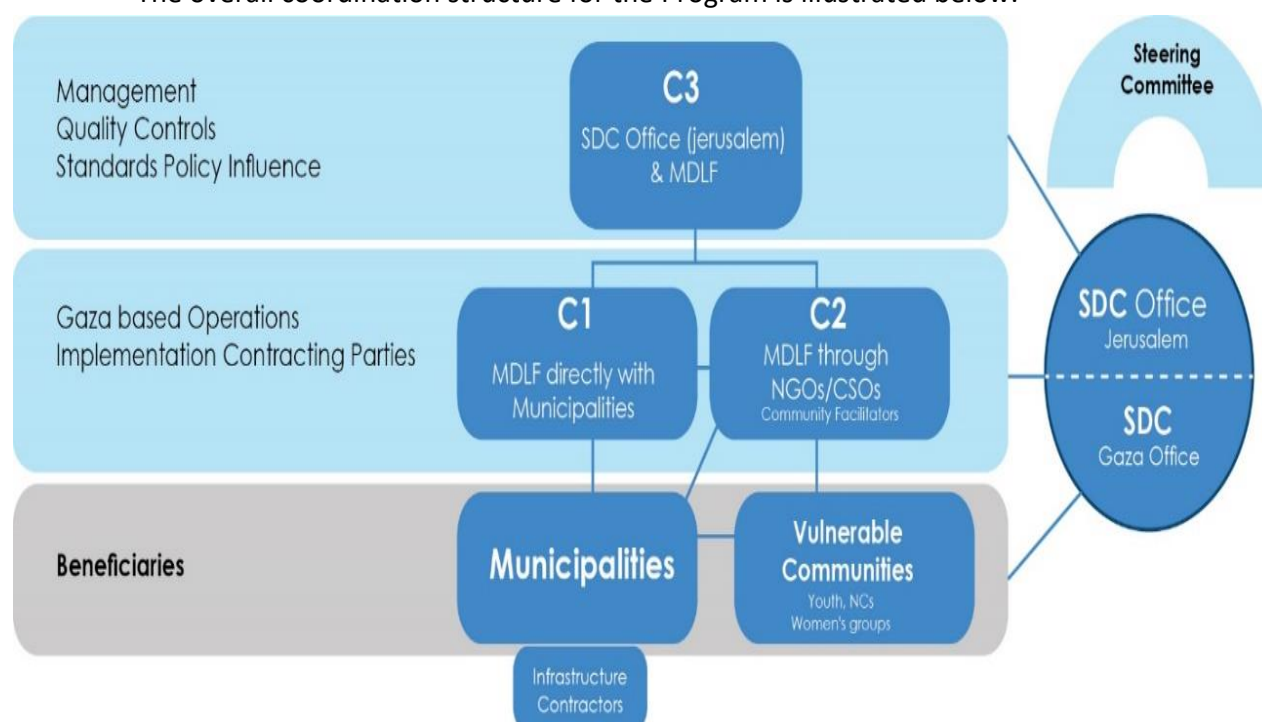
The Municipal Development and Lending Fund (MDLF) will be the principal implementing partner for all three components of Phase 1. Besides the Ministry of Local Government (MoLG), the MDLF is legally mandated to implement PA's policies and strategies related to LGUs.

Thus MDLF will be responsible for the key management, administrative, budgeting, and liaising functions.

Steering Committee (SC): To ensure a smooth implementation of the program, an intervention/program SC will be set up in the first year of the program. The composition of the SC will include representatives of key implementing partners (MoLG, MDLF, CSOs/ PNGO), SDC as well as UNRWA and GIZ. Representatives from other local/international agencies might be invited to attend steering committee meetings as needed. The SC will meet twice a year to review the intervention's progress, to advise on any troubleshooting matters, risk analysis needs and general steering recommendations as needed.



The overall coordination structure for the Program is illustrated below.



4.4 Financing Partner's Contribution

The SDC has contributed CHF 3 million for the first phase which has started on Nov. 1st, 2017 for three years. Noting that, the intervention was designed to be implemented in three phases with a total financing CHF 12 million over 9 years. The first phase of this agreement was supposed to be completed by end of November 2020, however it was amended until the end of June to overcome the delays resulted from COVID-19 pandemic.



4.5 GVCD Implementation Status and Progress

Outcome 1: improved accountable service delivery for vulnerable communities
Output 1: 8 infrastructure projects have been implemented catering to the needs of vulnerable communities

➤ Implementation Status (Outcome #1)

➤ During the reporting period, the performed works are illustrated below:

- A) Total number of projects is 8 infrastructure projects, all projects have been tendered and awarded to the contractors. The projects are divided in two types:
 - **Road projects:** This is including 7 road projects. These projects are implemented in 6 municipalities with a total value of US\$ 1,808,382.38.
 - **Sewage projects:** This project including construction of sewage networks with a total value of US\$ 211,800.
- B) 6 out of 8 infrastructure sub- projects were completed (5 road projects and a sewage network construction project) were completed, with a total value of US\$ 1,516,782.38).
- C) The remaining two road projects are expected to be completed by end of March 2021, with a total value of US\$ 503,400.
- D) A total of 285 participants in 7 targeted municipality, received training on SA for 25 training hours along 5 days per training course
- E) Out of 285 , 103 community members selected for the local community committees in the 7 targeted municipalities, the participants include 38 females and 6 members with disability (36.8%, 5.8% respectively).
- F) The committees received training on issues related to project management and monitoring skills, treating dispute between the municipality and the community, in addition to the environment and social safeguards.
- G) All mayors of the targeted municipalities and the local committees signed the MoUs which defined clearly the roles of the local committees and enhance their involvement and participation, having all local committees together is inspiring for community participation.
- H) All local committees conducted site visits to the implemented projects, worked with the communities to remove the overlapping to facilitate projects implementation, they also provided reports on the complains from the and work with the municipalities to solve them.
- I) The local community committees were supported to utilize social media for communication and promote community participation.
- J) The local committees received training on civic participation and social accountability, in addition to project management skills.





- K) They local committees conducted regular visits to supervise the implemented projects, and provide comments and notes to the municipalities for improvement, also they help to solve problems with citizens related to social safeguards and overlapping.
- L) They follow up the complaints by citizens on the issues related to infrastructure projects.
- M) The committees have developed action plans, meet on regular base to review their performance.
- N) The committees have developed a face book page for communication with citizens and for sharing their work.

Table 30: Status of the projects.

Municipality	Project Number	Project Name	Status
Al Buraij	GVCD1.1.1	Paving the main road (entrance to Al-Tal Al-Akhdar)	Completed
Al Buraij	GVCD1.1.2	Paving the cemetery road between the old cemetery and the Saida area	Completed
Al Qarara	GVCD1.1.3	Construction of Al-Siraj and Wadi Al-Shuaibat Road	Completed
Abasan Al Jadedah	GVCD1.1.4	Completing the stormwater drainage system and paving of Road No. 5	Completed
Khuzaa	GVCD1.1.5	Development and Tiling of Internal Roads	Completed
Al Shoka	GVCD1.1.6	Construction of a sewerage network in Abu Luli neighborhood	Completed
Rafah	GVCD1.1.7	Development of road No. 10	Ongoing
Al Naser	GVCD1.1.10	Expansion and rehabilitation of existing roads	Ongoing



Completing the storm water drainage system and paving of Road No. 5 Abasan Al Jadeeda



Outcome 2: Strengthened accountability of targeted municipalities toward citizens and civic groups (youth, women, and neighborhood committees) participation in local decision-making processes)

➤ **Implementation Status (Outcome #2)**

A) Design and implement capacity building plan on civic participation and social accountability

- Based on the need assessment findings which was implemented by the NGO partner to assess the civic participation and social accountability needs in the targeted municipalities, PCDCR (NGO partner) designed and developed a capacity building plan to enhance vulnerable groups and municipalities capacity concerning the civic participation and social accountability concepts, tools and practices. The programs include training activities and plan which have been completed in between 2019 and 2020, the planned activities include:
 - Provide training for 285 (153 females, 132 males, 11 people with disabilities) community members and vulnerable groups for 25 training hours on civic participation and social accountability,
 - Implement, TOT training courses in tow locations Rafah and Khuza'a, targeting **52 active** citizens for 20 training hours along 4 days per training course.
 - Conduct training sessions for Municipal Officials targeting 20 municipal officials in 7 targeted municipalities for 18 training hours, employees from each municipality were (1 member from municipal council, 1 member of executive management, and 2 members of public relations department). The training topics focused on: **(Mainstreaming SA inside Municipalities, Mainstreaming CP within Municipalities' procedures and processes)**.
 - The training materials and guidebook of trainees were prepared.
 - Pre- and post-questionnaire was prepared to assess level of knowledge and attitudes of participants before and after training regarding SA and CP.

B) Identify Gender sensitive program entry points and activities

- The purpose of this task is to design and conduct assessment and analysis of gender sensitivity in the municipalities services, and identify the opportunities to integrate gender in the municipalities policies, plans, programs, and services.
- The first draft of Gender auditing report was prepared which identified the gaps in municipalities policies, plans, programs, and services regarding gender sensitivity.
- A gender checklist was finalized to be used by the municipalities in assessing gender responsiveness of the services and projects. The checklist included 5 main themes: **(policies, capacities of staff, required interventions and opportunities, networking, analysis from gender perspective)**.
- Meetings were conducted with municipalities' staff (1 meeting/municipality) each meeting involves 13-20 employees to discuss the findings of the assessment. Employees had participated in discussion meetings including the members of municipal council, heads of departments of projects, strategic planning, and public relation staff.



Design and develop a training program on gender mainstreaming for related municipalities' staff:

18-hours training course for 35 employees in 7 municipalities (4 employees/municipality) had been implemented. The training aimed to improve the knowledge and skills of municipalities' staff on gender mainstreaming in municipalities. Women percentage in the capacity building activities reached 42.86% of the total participants.



Training topics included:

- Concept of gender.
- Methodology of equity.
- Concept and level of participation.
- Gender: roles, needs and requirements.
- Integrating gender in municipalities' policies and services.
- Levels of gender mainstreaming/integration.
- Providing gender responsive services in municipalities.

C) Prepare, develop and manage small grants for community initiatives

- A framework and action plan to implement the community small grants in the vulnerable communities was prepared, the criteria and the areas to be covered by the small grants was prepared and agreed upon the municipalities focusing on: **(beautification of infrastructures services, social and cultural services, environment interventions, streets lighting, adaptation services, public spaces and gardening).**
- MDLF reviewed and prepared the tendering documents for 24 qualified community initiatives which were identified and developed by vulnerable communities with allocated budget of US\$ **244,000**.
- Three municipalities, Abasan Jadeeda, Al Qarara and Al Burij completed the tendering process and started implementing 6 of selected community development initiatives.
- Two municipalities, Al Nasser and Khuzaa have their community projects which are in the tendering process.
- The remaining community initiatives are still in the process of tendering preparation.

D) Develop and implement public awareness and educational campaigns on CP, SA

The purpose of implementing the workshops is to facilitate and lead awareness-raising campaigns to enhance community accountability, facilitate focus group discussions at the community and municipal levels, and building trust between the citizens and the municipalities.





Work Methodology:

Civic Participation and Social Accountability Ambassadors were selected within certain criteria, the most important of which was they got the TOT training on CP and SA. Two simulation sessions were held for an awareness-raising workshop on citizenship and community participation targeting 45 male and female facilitators. The SA Ambassadors were responsible for knowledge transfer to nearly 6121 individuals from marginalized communities through 264 sessions with a focus on marginalized groups of women, people with disabilities and the elderly.

Topics covered in the public awareness sessions included:

- Concept of community participation and social accountability.
- Benefits of community participation and social accountability.
- Main challenges and obstacles facing citizens.
- Proposed mechanisms for improving community participation.

The participants received training on the best method and techniques in communicating simplified information to citizens, which contributed in creating a state of awareness and knowledge regarding the participation in neighborhood committees, communication with their local councils, engagement in the municipality's sessions and workshops, and to submit complaints if any.

An evaluation tool was designed and distributed to citizens before and after participating in awareness-raising sessions to measure the level of citizens' knowledge of community participation and social accountability before and after the sessions. The following **table 31** shows the details of the implementation of public awareness sessions implemented over the period (July – October, 2020).

Table 31: Distribution of Participants in SA,CP Awareness Raising Workshops

Municipality	No. of participants	Youth 18-34		Female 35-60	Male 35-60	Elderly people		PWD	
		Male	Female			Male	Female	Male	Female
Al Bureij	400	97	81	85	120	4	1	5	7
Al Qarara	1240	226	391	356	236	11	11	6	3
Abasan al Jadeda	434	87	119	114	62	24	12	9	7
Khuza	717	154	187	224	64	22	53	9	4
Shoka	863	62	267	220	0	77	222	12	3
Al Naser	785	125	256	185	88	33	75	13	10
Rafah	1682	306	637	393	104	20	190	25	7
Total	6121	1057	1938	1577	674	191	564	79	41

Table 32: Challenges regarding the Community Awareness Facilitation

Challenges/difficulties the facilitator faced	How they tackled the challenges
The COVID-19 pandemic	By adhering to health safety standards, social distancing and using sterilizers.
Citizens' fear of participating and claiming their rights through accountability for political and partisan reasons	Provide realistic examples of accountability and provide accountability tools to enable citizens to work within peaceful legal means
Citizens do not know the reasons for not responding to their demands or complaints in the municipality in some cases.	By providing a clear sequence of the path of any complaint in the municipalities, starting from the complaints box in the municipality to the Ministry of Local Government until citizens got a response.



Challenges/difficulties the facilitator faced	How they tackled the challenges
Citizens show aggressive attitudes when talking about the municipality as a result of previous experiences.	Overcoming them by convincing citizens of the existence of new policies in the municipalities that support the concepts of community participation and accountability and link them to examples on the ground.
The problem of coordination with associations to conduct the awareness sessions.	By informing them of the session's goals and linking them to the role of community committee members in proposing and presenting initiatives for the neighborhood people.
Separation of women and men	A separate workshop for women was implemented.
Citizens doubt the response to their demands and the importance of participation and accountability in reality.	Providing real examples of responding, participation, and accountability from the Gaza Strip.

Awareness Raising Outputs

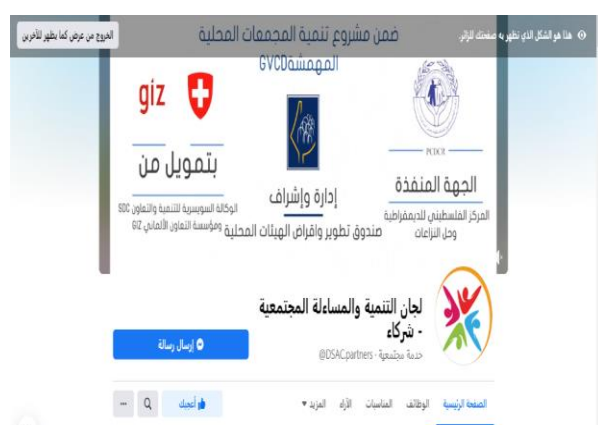
- *Motivating citizens to plan initiatives concerning the neighborhood.*
- *Encouraging associations to cooperate with each other in order to activate the role of community participation through workshops and seminars, and conducting listening sessions and focus meetings.*
- *Increasing citizens' awareness of community participation and accountability.*
- *Stimulating the role of citizens in claiming their rights within peaceful and legal procedures.*
- *Providing an initiative from the grassroots associations to visit the municipality and coordinate with the concerned parties in order to conduct hearing sessions and joint workshops between citizens and the municipality to solve the neighborhood's problems and listen to the citizens' needs.*
- *Participants agree on the need to activate local committees or to form consensus committees in the absence of a neighborhood committee, to follow up the needs and problems of the regions and find appropriate solutions with the municipality.*

E) Media Campaign and Educational Materials:

Facebook page and YouTube channel:

The media expert of the partner NGO established Facebook page where the social media was utilized for community awareness about SA and CP in municipalities and to build strong and fruitful relation between municipalities and citizens. It includes posts, reports, photos and news about the project activities and outputs.

<https://www.facebook.com/DSAC.partners>





Produce Series of 12 Info-graphic Show:

The media expert in cooperation with an artist designed and draw a character. This character has been used to make set of 12 episodes of info-graphic show, each episode tackles an issue/problem related to SA and CP and proposes solutions.

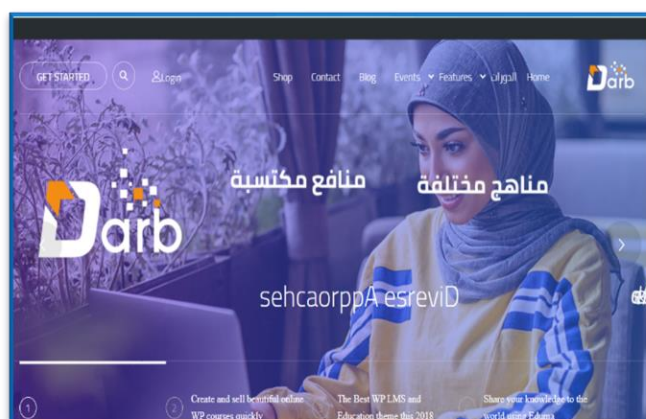
The series will be published through social media and face book page to reach the largest number of beneficiaries aiming to publish the concept of SA and CP in a creative way and improve citizens and community awareness in these topics. The following is link of first episode;

<https://drive.google.com/file/d/1wSrYRkAfoViEoWo9uGib4SVeLK7fu3Fk/view?usp=sharing>

Free Online Educational Platform:

The partner NGO designed a free online educational platform called (DARB) aiming to build citizens and youth awareness and capacities on social accountability and civil participation reaching the largest number of beneficiaries considering gender, age and vulnerable groups of the communities. The platform is still under progress.

<http://darb.pcdcr.org/>



F) Sharing dialogue and building trustful relation between municipalities and local communities.

Implement Policy Days:

During the implementation of the project, the need assessment and the trainings were carried out. The partner NGO identified a set of critical issues in each targeted municipality from the community and the municipality perspectives. An issue was selected in each municipality (total of 7 issues in 7 municipalities) and a policy day was conducted to tackle this issue (total of 7 policy days in 7 municipalities). Each policy day involves 15 stakeholders, municipality representative and citizens for 2.5 hours discussion to identify the problem, suggest solutions, and propose practical recommendations to solve the problem.

The output of each policy day is a policy paper that suggests practical and applicable solutions for a specific problem on policies and operational level.





Table 33: Samples of Implemented Policy Days

#	Municipality	Issue of policy day	The output
1	Khuza'	Waste landfill in Khuza'	Policy paper was documented
2	Rafah	Sewage issue in kherbt Al Adas and Musabeh-Rafah	Policy paper was documented

Success Stories

The awareness sessions on community participation and accountability have helped implement accountability mechanisms, such as submitting a complaint through the community committees that were formed through the project, and contributed to developing solutions to some of the needs of parents in marginalized communities, for example:

People living in vulnerable communities complained about the lack of safe drinking water and their inability to afford the expenses of buying it or transporting it to remote places east of Al-Qarara "Sereij area, Abu Haddaf", Abu Haleeb area. Through the efforts of the Development and Community Accountability Committee - Partners in Al-Qarara, 10 water tanks with a capacity of one and a half Cubic Meter were provided through the committee's communication with charitable people and the Mayor of Al-Qarara. The committee consulted with parents to determine the places of its installation, and it was filled with water from the desalination plant for free. It is worth noting that the desalination plant was established in Al-Qarara through the Gaza Vulnerable Communities Development Project, which was identified as a need and priority by the people and representatives of marginalized local communities. The average number of families benefiting from one tank is 50 families, and it is filled on a weekly basis, and the distribution and mobilization process is supervised by the community committee in coordination with the municipality.

Quotations of the Trainees' Opinions

Khaled Musabeh, 36-year-old, holding MSc in Project Management, says, "The training is distinguished by the diversity of trainers, the diversity of their presentation methods, and the linking of theoretical knowledge, SA and CP concepts with practical applications and experiences to enhance understanding. The training encouraged me a lot to research and go deeper into these topics and try to apply them in a practical way, either through specialized work or educating people about them".

Jehan Abu Anza, 22-year-old, holding a Bachelor of Education (Primary), says "the training added to me a lot of information and concepts such as governance, citizenship and participation and its tools, accountability and its tools, and any meeting that the municipality will organize after that, I will be one of the first participants and advocates to participate in it"

Outcome #3: Enhancing Policy Dialogue on vulnerability Issues in the LG sector

Implementation Status Outcome #3:

- A baseline survey was conducted and the benchmark results will be used as a reference for the evaluation assignment (currently under procurement).
- As for the policy roundtable, a steering committee meeting was held with the in Jan-2019. Another meeting is planned to be conducted in a form of roundtable after having the results of the evaluation (May/June 2021).
- Additionally, coordination meetings were held with GIZ who targeted the same vulnerable communities as top up for component 1. The GIZ and other stakeholders will be part of the roundtable discussions where the results of the evaluation and policy recommendation assignment will be presented.



4.9 Challenges and Obstacles

- During the reporting period, the office operated under emergency conditions following the precaution measures and protection over coronavirus in WB and Gaza Strip, the staff were asked to stay at home and the movement was restricted for about two weeks in March, this lead to delay of the projects implementation.
- Delay to implement the TOT training sessions, training on gender and organize community awareness sessions due to the emergency situation, and to comply with safety and health measures for protection over COVID- 19 in Gaza Strip.
- Shortage of fund compared to huge demands and needs of the vulnerable communities.
- Citizens' lack of knowledge and experience in civic participation and social accountability.
- COVID 19 pandemic spread-out in Gaza has restricted people interactive and communication with the municipalities and services providers.
- There is lack of infrastructure services such as sanitation, ponds and potholes in the streets to collect sewage, which poses health risks to the people of the area and the movement of vehicles and children in the area, the accumulation of waste in marginalized areas, the lack of lighting poles, and unpaved sandy roads.

4.10 Recommendations

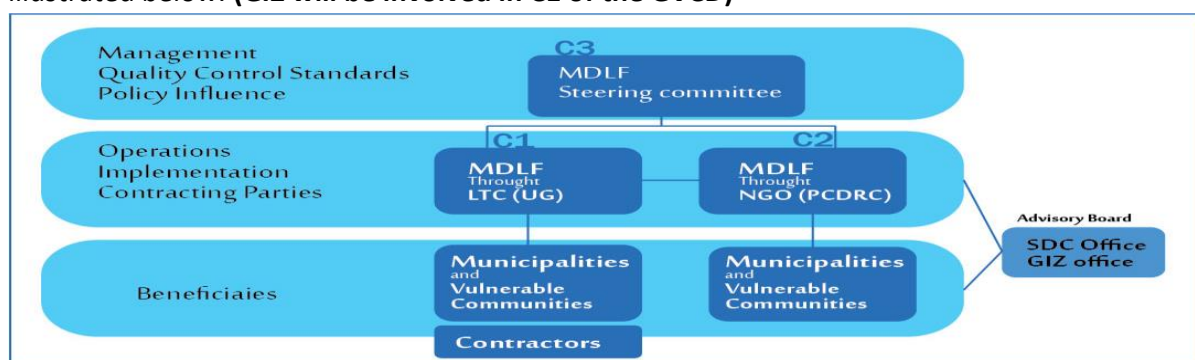
- It is necessary to promote the idea of accountability and transparency among the officials and employees at municipalities.
- Activation the role of media and social media to spread concepts of participation and accountability, and support associations and local community institutions in spreading concepts, raising awareness and reaching the largest number of citizens.
- The necessity of targeting students and children to instill the idea of accountability, citizenship and community participation from childhood.
- The members of the neighborhood committees must introduce themselves to the citizens of all regions and activate their basic role as a link between citizens and the municipality.
- Enhancing the participation of women in any meeting or listening sessions in order to communicate the voice of women in the neighborhood and even to be part of the neighborhood committees.
- Activating civil society institutions for their ability to facilitate support, mobilization and support for accountability and its success, reaching the most marginalized segments of society and integrating them into community participation and accountability.



5. Strengthening the Resilience of Gaza Vulnerable Communities

5.1 Introduction

Strengthening the resilience of Gaza Vulnerable communities "SRGVC" funded by the GiZ and implemented by MDLF will respond to the ever-increasing high demand for essential services among vulnerable communities. The interventions will further support the accountable services delivery component of the ongoing program entitled "Gaza Vulnerable Communities Development –GVCD⁶" Funded by the Swiss Agency for Development and Cooperation "SDC" over the period (Nov. 2017 – March.2021) and implemented through the Municipal Development & Lending Fund "MDLF". In summary, the overall coordination structure for the intervention is illustrated below. **(GiZ will be involved in C1 of the GVCD)**



This intervention will serve as a means to support implementing a 'critical' mass' of infrastructure projects to improve basic municipal services in a more delimited geographic area, where the concentration of vulnerable communities and record of previously denied access to services is the highest. This intervention will be complemented with a set of actions under the Swiss supported program GVCD that will safeguard the long-term perspective of projects by empowering municipalities in their service provision functions, as well as enabling vulnerable communities to gain access to basic services.

- **Duration:** December 2018 – March 2021
- **Budget (Phase 1):** EUR 1,369,150.59
- **Main Component:** Support accountable services delivery component under the GVCD (Component 1)
- **Instruments for implementation:** up to 14 small-scale projects aiming at improving the essential basic infrastructure employing renewable energy and other relevant interventions, for instance, drainage, sanitation, water supply, green areas, etc.
- **Expected Results:** Improved basic service delivery in 24 vulnerable communities that will be identified under the 2nd Component of the GVCD.
- **Key Implementing Partners:** MDLF Gaza/ West Bank, 7 municipalities.
- **Targeted beneficiaries:** Vulnerable communities located within the boundaries of 7 municipalities (was identified by the end of November 2018).

⁶ GVCD Components:

Component 1: Improving accountable service delivery for vulnerable communities through small infrastructure projects;
Component 2: Increasing Civic Participation & Social accountability of the vulnerable communities in local decision-making and community development.

Component 3: Enhancing Policy Dialogue on vulnerability Issues in the LG sector, in oPt.



5.2 Description

5.2.1 Overall Objective

Considering the noted contextual dynamics and the continued dire demand for basic services for most of the vulnerable communities in Gaza, this intervention contributes to the achievement of GVCD-component 1 which envisions the following outcome.

OUTCOME 1: Improved accountable local service delivery for up to 24 vulnerable communities in Gaza Strip.

Therefore, the particular objective of this intervention is to improve equal access to basic services for up to 24 vulnerable communities through the implementation of a number of small-scale infrastructure projects giving a preference to the nexus of renewable energy, water and agriculture (renewable energy, water, sewage, solid waste, and public health, drainage, playgrounds, etc.).

However, the use of renewable energy will be considered as a priority intervention area, as much as possible whereas the following projects are a positive list for instance; noting that such projects have to be prioritized in a participatory approach among the vulnerable groups and will be selected through the 2nd component of the GVCD.

Water sector:

New water networks and house connections, maintenance and/or rehabilitation of water networks, maintenance of water wells, maintenance of water tanks, and installation of PV systems for water pump stations (water tanks and/or water wells).

Wastewater:

New wastewater networks and house connections, maintenance and/or rehabilitation of existing wastewater networks, maintenance of wastewater pump stations, construction of small wastewater pump stations to allow serving the vulnerable communities, installation of PV systems (Energy Supply) to operate the pump stations where applicable.

Solid Waste and Public Health:

This includes the supply of waste bins and cleaning tools, public health materials, chemicals, and equipment.

Drainage and safety

Small streets projects including: Pavement surfacing using interlock tiles or asphalt, widening the streets and doing some earthwork to allow better and safe movement of people in agriculture areas, improve drainage where addressing streets floods and safety, protecting the carriageway from soil failure during winter (particularly in rural areas), streets lighting to improve safety using PV systems and energy-efficient solutions (e.g. LED Lanterns), implementing safety measures around schools and health clinics to protect the community, passengers protection shelters as kids and women in marginalized areas need to walk for a long distance to reach school, health clinic, and markets.

Municipal social infrastructure:

Construction/maintenance and rehabilitation of playgrounds, small parks/gardens, and cultural centers for women, kids and the youth this includes installation of PV systems for energy supply.



5.2.2 Geographic and Vulnerability Targeting

Communities in peripheral areas of large municipalities, for example, are commonly neglected in Strategic Development & Investment Plans (SDIPs) and annual implementation plans due to their relatively low density of population, the latter's insufficient voice and limited influence in plans' preparation and prioritization. Smaller rural municipalities, on the other hand, are not able to raise sufficient resources to deliver basic services for their SDIPs. Municipalities situated east of Salah Eddin Road in particular, generally have low population density and few economic/employment opportunities, hence low municipal revenues and low technical capacity for implementing infrastructure projects.



Recognizing the realities, the intervention, therefore, targets empowering smaller municipalities with vulnerable and marginal populations south of the Gaza city and Middle Areas – e.g. municipalities of Khan Younis and Rafah, as well as areas in the East of Salah Eddin Road across the strip.

5.2.3 Selection Criteria for Vulnerable Communities and Projects

Geographical targeting will be complemented by additional vulnerability criteria including considerations as follows:

- I. Areas and populations with insufficient/ underserved service provision including:**
 - Ineffective solid waste services (shortage of waste bins, solid waste collection vehicles)
 - Limited or no access to the water network
 - Lack of energy supply for electricity service.
 - Limited or no access to sewage network if applicable
 - A low percentage of paved roads in the neighborhood
 - Areas subject to natural and or human-caused disasters.
 - Lack of or insufficient public spaces as gardens, playgrounds or multipurpose facilities⁷
 - Prioritized addressing women's (especially widows and female-headed households), youth and elderly populations' needs.
- II. Areas with repeated and documented complaints/requests from citizens/ neighborhoods.**
- III. Population living outside Municipalities' built-in areas, or at the periphery of UNRWA refugee camps that may have fewer capacities to exert traction on municipalities.**

⁷ Prevalence of 1 to 3 directly increases environmental and health risks for the targeted communities, but also the Gaza Strip population as a whole. The initial weighting of selection criteria (20% poverty – 80% insufficient service provision) will be run in the preparation of the CP.



The vulnerable communities will be scored under the above-mentioned criteria and the intervention will target the highly score communities accordingly.

5.3 Financing Partner's Contribution

The GIZ has contributed EUR 1.3 million to support the accountable services delivery component of the ongoing program entitled "Gaza Vulnerable Communities Development –GVCD⁸". The agreement was signed on 1/12/2018 until 31/03/2021.

5.4 Institutional and Implementation Arrangements:

✓ **Steering Committee (SC):**

To ensure the program's smooth implementation, an intervention/ program SC will be set up in the first year of the program. The composition of the SC will include representatives of key implementing partners (MoLG, MDLF, CSOs/ PNGO), SDC as well as UNRWA and GIZ. Representatives from other local/international agencies might be invited to attend steering committee meetings as needed. The SC will meet twice a year to review the intervention's progress, to advice on any troubleshooting matters, risk analysis needs and general steering recommendations as needed.

✓ **Municipal Development and Lending Fund "MDLF"**

The MDLF is the delegated implementation agency of the intervention including the three components. It is a semi-governmental entity with its independent Board⁹, transparent financial management and reputable procurement procedures that comply with national legislation and World Bank standards. MDLF has proven to become an efficient mechanism for channeling numerous donors' contributions to the LG sector in the West Bank and Gaza.

✓ **Non-Governmental Organization "NGO"**

In the context of improving a social accountable approach in the basic service delivery, MDLF will be responsible of supervising municipalities and their local communities in the selection of projects with the support of a local non-governmental organization, namely, (Palestinian Center for Democracy and Conflict Resolution PCDCR) who was contracted and completely financed by the SDC under component 2. The NGO overall objective is to:

- *Identify* the vulnerable communities to be targeted under component 1.
- To empower civic groups (women, youth, Neighborhood Committees), CBOs and citizens to *constructively* engage and pro-actively provide inputs in the joint decision-making -

⁸ GVCD Components:

Component 1: Improving accountable service delivery for vulnerable communities through small infrastructure projects;
Component 2: Increasing Civic Participation & Social accountability of the vulnerable communities in local decision-making and community development.

Component 3: Enhancing Policy Dialogue on vulnerability Issues in the LG sector, in oPt.

⁹ The Board consists of the PA, municipalities, civil society with the MoLG Minister as the Board chairman. The MDLF has a main office in Ramallah and a sub-office in Gaza City.



planning, prioritization, selection - of infrastructure projects selected for implementation under C1.

- Enhance citizens' and civic groups' **awareness and capacity to assist in the maintenance and monitoring of infrastructure projects selected for implementation under C1.** It is assumed that more informed and engaged citizens will be more apt to hold municipal authorities accountable for their service delivery functions;
- Enhance citizens' and civic groups' participation through concrete, innovative and gender-sensitive smaller-scale community social accountability projects funded by small grants;
- Strengthen local civic groups and community-based organizations' capacity to effectively and sustainably utilize civic participation and social accountability tools such as public hearings, civic consultations, focus group discussions, citizen scorecards and satisfaction surveys, as indicated in the MoLG Social Accountability Toolkit.
- Engagement of particularly vulnerable (women, widows, youth, elderly) and marginalized groups, ensuring that they are heard and their inputs are incorporated in local decision-making processes.

✓ **Local technical Consultant "LTC"**

A local consulting firm (namely the Universal Group for engineering and consulting) was contracted to be financed from SCD contribution to supervise the component 1. The LTC overall objective is to:

- Sub-project Selection: the LTC shall assist MDLF and work closely with municipalities & their vulnerable communities and the MDLF contracted local NGOs in the selection of sub-projects to benefit from the available fund. The selection will be according to the preliminary selection criteria listed in an annex (B) (LTC shall review the criteria and propose any needed improvements) following a participatory approach in the selection and prioritization of sub-projects.
- Project planning and design: prepare and verify designs (survey maps, existing plans, design drawings, licenses, bill of quantities, specifications and bidding documents...etc.); and preparation of bidding documents as per the MDLF manuals including the Environmental and Social Management Framework; review and comment on individual procurement plans, infrastructure and services maintenance.
- Project implementation and supervision: conduct site supervision for all projects and visit all participating Municipalities during project implementation, including daily or as-needed site supervision and periodic (daily if needed) visits all participating Municipalities during project implementation, and daily follow-up to ensure that the Municipalities coordinate with all relevant parties, including relevant ministries, directorates, and contractors, and give approvals for all milestones and subproject activities. This also includes building the capacity of targeted Municipalities to implement projects and assist them in the supervision, including reporting on implementation progress, monitoring of indicators, and compliance with the standards delineated by MDLF.



- Ensuring compliance with technical and fiduciary aspects: build the capacity of and guide targeted Municipalities on technical and fiduciary aspects of project preparation and implementation to ensure compliance with MDLF's procurement, financial, social, and environment safeguards procedures (including the provision of mitigation measures).

✓ **Municipalities:**

Municipalities will be the owner of projects and municipalities and their communities will be the end beneficiaries of the intervention. Municipalities are a key stakeholder on the different stages of the intervention, in component 2, they were part of the planning processes with their communities through the management of the civil society organization to identify the vulnerable communities and their needs. Under component 1 municipalities will be the contracting authority of infrastructure projects and will conduct the direct management of the contracts for the implementation of the assistance of the project by the local technology consultant. Communities will be empowered through component 2 by the NGO on monitoring of the projects as well.

5.5 Implementation Status

During the reporting period, the implementation status can be illustrated as follows:

- The street lighting project of AlShoka municipality was completed.
- The street lighting projects of Rafah, AlQarara and Al Buraij (3 interventions) were finished of all installation works and the final handing over is pending until the contractor finished all the notes issued by the preliminary committee of the project.
- The street lighting projects of Al Naser and Abasan Al Jadedah municipality (2 interventions) were completed with some delays due to challenges related to entry of the steel poles from the Israeli side.
- Regarding the water wells operated by solar energy the intervention of Abasan Al Jadedah was completed by the end of November 2020. The other two interventions of water wells are ongoing and will be subject to delays due to challenges in entering stainless steel pipes to Gaza Strip. End the end the material was installed the projects will be completed within two weeks.
- As for Khusa'a project: "Establishment of a multipurpose Hall and development of the existing cultural center in Abu Ali and Abu Rock", was completed and handed over.
- As for Rafah project: "Establishment of a youth center, playground for volley-basketball. for Khirbet al-Adas", the project has started on 27th September 2020 and is expected to be handed over by the early March 2021.
- The MDLF contracted a consultancy firm to conduct an overall evaluation of the SRGVC interventions including: Beneficiary Impact assessment and technical evaluation. The final evaluation report will be submitted by end of March 2021.



Strengthening the resilience of Gaza vulnerable communities-Al-Qarara



Table 34: Status of Projects

Municipality	Project Number	Project Name	Status
Al Buraij	SRGVC5.1.1	Development of roads intersections using Solar Street lighting and landscaping	Completed
Al Qarara	SRGVC5.1.2	Development of roads intersections using Solar Street lighting and landscaping	Completed
Abasan Al Jadedah	SRGVC5.1.3	Development of roads intersections using Solar Street lighting and landscaping	Completed
Rafah	SRGVC5.1.4	Development of roads intersections using Solar Street lighting and landscaping	Completed
Al Naser	SRGVC5.1.5	Development of roads intersections using Solar Street lighting and landscaping.	Completed
Al Shoka	SRGVC5.1.6	Development of roads intersections using Solar Street lighting and landscaping	Completed
Al Qarara	SRGVC5.2.1	Providing Solar Energy for Water Wells - Aljeia Well	Ongoing with some delays due to challenges in the installation of pumps and entry the stainless-steel pipes to Gaza strip.
Abasan Al Jadedah	SRGVC5.2.2	Providing Solar Energy for Water Wells - Eastern Well	Completed
Al Naser	SRGVC5.2.3	Providing Solar Energy for Water Wells - Qatari Well	Cancelled
Al Shoka	SRGVC5.2.4	Providing Solar Energy for Water Wells - Malyzian Well	Ongoing with some delays due to challenges in the installation of pumps and entry the stainless-steel pipes to Gaza strip.
Al Qarara	SRGVC5.3.1	48m3/Day Containerized Municipal Brackish Water RO Desalination Plants	Completed
Al Shoka	SRGVC5.3.2	8m3/Day Containerized Municipal Brackish Water RO Desalination Plants	Completed
Khuzaa	SRGVC5.3.3	Establishment of one desalination plant with PV System in Abu Ali and Abu Rock (48m3/Day Containerized Municipal Brackish Water RO Desalination Plants)	Completed
Rafah	SRGVC5.4.1	Establishment of a youth center, playground for volley-basketball. for Khirbet al-Adas.	Ongoing
Khuzaa	SRGVC5.4.2	Establishment of a multipurpose Hall and development of the existing cultural center in Abu Ali and Abu Rock	Completed



5.6 Challenges and Obstacles

- The main concern was the limited time to identify the needs of 24 communities in a participatory manner.
- The huge demand for needs and lack of basic services for vulnerable communities and the difficulty to prioritize them.
- The difficulty to supply the batteries of the PV system may delay the project implementation of lots 1&3 resulting in a minor deviation from the planned completion date.
- The difficulty to supply solar submersible water pump and solar pump inverter system may delay the project implementation of lot 2 resulting in a minor deviation from the planned completion date.
- Citizen's impatience to attend so many meetings to discuss needs and waiting for a long time to have the project implemented on the ground.
- Due to COVID-19 pandemic, the movement was restricted and the work was followed up from home.
- The issue of entering stainless steel pipes is a general issue, and the Israeli side has suspended the entry of such materials for projects in the sanitation and water sector with all local and international agencies without rejecting or accepting the entry of these materials.

5.7 Lessons learned

- The importance to develop more effective measures and tools to work with vulnerable communities
- It is recommended to develop and build modeling to serve vulnerable communities.
- The powerful role of citizens to identify needs and priorities that fulfill their needs.
- The necessity to maintain the flow of communication and contacts among all parties.
- It would be helpful to provide the community with feedback and to update them on project implementation and progress.





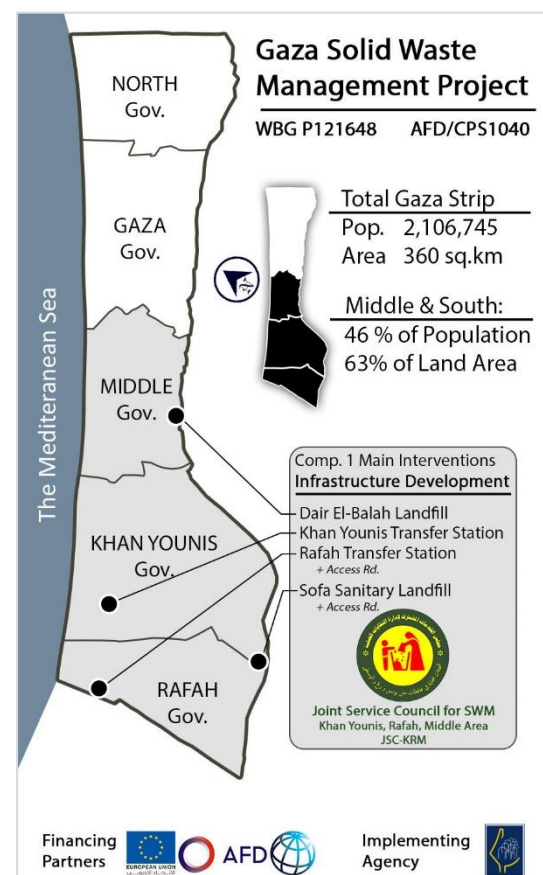
6. Gaza Solid Waste Management Project (GSWMP)

6.1 Introduction

The Gaza Solid Waste Management Project is a comprehensive, strategic, infrastructure and capacity building project where MDLF manages the southern component of a project covering three of five governorates in Gaza Strip, namely: The Middle Governorate, Khan Younis Governorate, and Rafah Governorate, comprising approximately 64% of Gaza Strip's total geographic area which is inhabited by 46% of the total Gaza Strip's population (approximately 1,099,424 people) according to 2020 projections. The three governorates are serviced by what is known as the Joint Service Council for Solid Waste Management in the Governorates of Khan Younis, Rafah, and Middle Area (JSC-KRM).

The GSWMP aims to improve solid waste management services in the Gaza Strip through the provision of efficient and environmentally and socially sound waste disposal schemes and initiating measures to improve overall solid waste management systems.

Through GSWMP, a sanitary landfill was constructed inside the southern region of Gaza Strip with the capacity to serve the three governorates until the year 2025 and to serve the entire Gaza Strip until the year 2040. This major construction scheme will be implemented in phases on an overall area of 472 dunams (47.2 ha.) with immediate land area needed for the first two cells of 10 ha. The new facility is currently equipped to operate at high standards and it will be complemented by a system of solid waste transfer stations in each governorate area in addition to comprehensive capacity building program to improve service-provision at the different stages of solid waste management, including the supply of new solid waste collection vehicles to the newly expanded JSC-KRM and its member municipalities accompanied by institutional strengthening measures and training. Through the GSWMP, studies and investments in recycling and resource recovery was take place encouraging the participation of the private sector, in addition to further involvement and participation of the population through broad public outreach and public awareness activities.





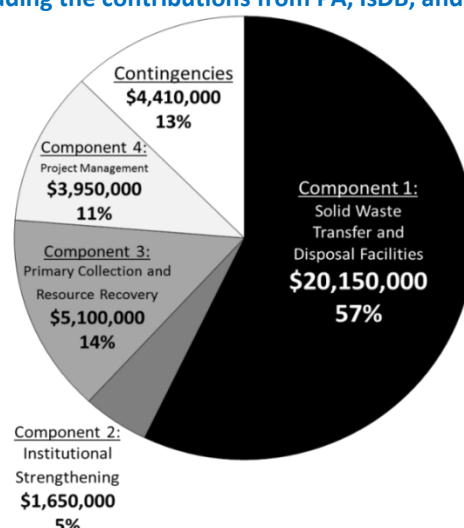
6.2 Project Components

6.2.1 Parent Project Components

GSWMP is financed by the World Bank Group, the French Development Agency (AFD), and the European Union (EU). The project focuses on the middle and southern regions of Gaza Strip with MDLF as the implementing agency and in coordination with other financing partners such as Islamic development Agencies who are focusing on Gaza and the Northern Governorate. Following are the four components of the project:

- Component 1: Solid Waste Transfer and Disposal Facilities (USD 20.15M)
- Component 2: Institutional Strengthening (USD 1.65M)
- Component 3: Primary Collection and Resource Recovery (USD 5.10M)
- Component 4: Project Management (USD 3.95M)

Chart 12: Project Components and Budget
(Including the contributions from PA, IsDB, and UNDP)



Note: AFD/EU contribution is allocated in EURO and the USD amounts in chart (12) correspond to the exchange rate as of July 24th, 2012

6.2.2 Additional Financing Project

The Palestine Liberation Organization, for the benefit of the Palestinian Authority, has allocated additional financing (AF) of the Gaza Solid Waste Management Project (GSWMP) in the form of a grant in the amount of US\$2.00 million from the Global Partnership for Results-Based Approaches (GPRBA) and US\$ 1.25 million from the Partnership for Infrastructure Development Multi-Donor Trust Fund (PID-MDTF) to the Palestinian Authority (PA); for the Gaza Solid Waste Management Project (GSWMP), and will be executed by Municipal Development & Lending Fund (MDLF).

An additional finance (AF) fund was agreed and agreements was signed in September, 2020 for a total of USD 3.25 million of which USD 2.00 million coming from the Global Partnership for Result Based Approaches (GPRBA). The AF finances, in exchange for improved service management and quality, operational costs associated with the new infrastructure and services; the new landfill, upgraded transfer stations, bins upkeep and medical waste treatment). In doing so, the AF "(i) allows the service provider- the Joint Services Council for Khan Younis, Rafah and Middle area (JSC-KRM)—deliver quality solid waste services; (ii) strengthens the operational and financial



capacity of JSC-KRM and member municipalities; (iii) ensures the project's operational and financial sustainability hence amplifying the project's long-term impact; and (iv) helps developing operational standards for their landfill that could be applied across Palestine to further strengthen the solid waste management sector in West Bank and Gaza.”¹⁰ The additional finance is linked to a group of indicators which will be measured by independent verification agency (IVA), and will last until mid – 2022.

6.3 Implementation Status of the Parent Project (GSWMP)

6.3.1 Component 1: Solid Waste Transfer and Disposal Facilities

New Al-Fukhari (Sofa) Sanitary Landfill

Sofa Sanitary landfill in Al-Fukhari is currently under operation starting from July 15th, 2019 and under the responsibility of JSC-KRM, in order to improve the overall waste disposal structures and landfill practices. The landfill was designed with an intake capacity of 2.1 million cubic meter of municipal solid waste with an expected daily input of 700 tons of solid waste including full systematic facility elements and state of the art features such as sanitary cell with liner protection, leachate collection and lagoon system, storm water drainage system, access control and weighing bridge, admin and equipment facilities.

The JSC- KRM continued in providing operation and started using the landfill heavy equipment in the site, the project continued supporting and providing the needed fuel and maintenance for the landfill operation.

The contractor has implemented all required maintenance works within the defect's liability period under supervision of JSC and MDLF.



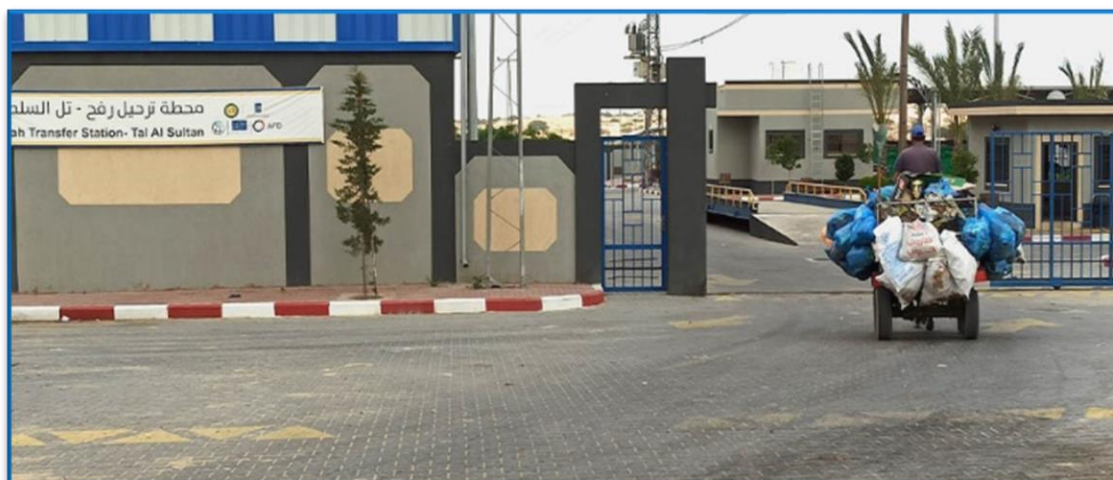
Al-Fukhary Sanitary Landfill and surrounding area

¹⁰ AF Project Paper



Transfer Stations

Two transfer stations were planned for the Middle and Southern regions of Gaza, one of which (Khan Younis transfer station) was constructed by UNRWA and the other transfer station (Rafah transfer station) was constructed in 2019. Rafah's transfer station facility was designed to accommodate several functions given its unique location adjacent to a sorting facility and across one of the densest population areas in Rafah Governorate (Tal Al-Sultan). The facility forms a compound consisting of a fully covered tipping area for solid waste operations, a full-size maintenance workshop to house all SWM collection equipment (from both JSC and Rafah Municipality), and an administration building, in addition to the existing sorting facility. The design of Rafah TS accommodates safeguards requirements and it was inaugurated by H.E. Minister of Local Government under the auspices of H.E. the Prime Minister on 18 December 2019. JSC-KRM and Rafah Municipality started operating the Rafah Transfer Station in June 2020. Starting with an average of 45 tons/day of domestic solid waste arriving daily to the Rafah Transfer station by 60 animal carts that collect MSW from neighbourhoods onto the station's 40 cubic meter container that are transferred to the landfill by roll on/roll off trucks.





Top: drone photo of Rafah Transfer Station Compound (December 2019)
Middle: animal collection cart coming into the transfer station (June 2020)
Bottom: solid waste transfer truck leaving the transfer station (June 2020)

Rehabilitation of New Landfill Access Road

The design works of Road No. 2 (Al-Fukhary Landfill Access Road) were completed at the end of the 2nd quarter of 2018 by a Palestinian/Jordanian Joint Venture. Several scenarios were submitted by the designer to rehabilitate the road in parallel with the operation of the landfill. The approved design was in line with the 2012 Feasibility Study of the GSWMP and line with safeguards requirements and the Palestinian law and regulations. Besides leading the newly constructed landfill, this road with a length of 2.4 Kilometres serves the community of farmers on both sides in addition to the nearby Khan Younis Wastewater Treatment Plant that was constructed in the timeframe with the landfill. The rehabilitated road was met with a particular appreciation of the communities and the municipalities on both sides of the road (Al-Fukhari and Al-Shoka) as it provides a promising route for development in the area besides its initial objective of providing appropriate access to the landfill.



Access Road of Al-Fukhary (Sofa) Landfill



Closure of Existing Dumpsites

The Design of closure of the existing dumpsite in Al-Fukhari (old dump site) was initiated in 2019, where three scenarios were submitted by the designer addressing different technical approaches to designing the final cover to ensure safe slope stability and post-closure management. The final detailed design was completed in December 2020, and the implementation activities are anticipated in the first quarter of 2021.

Similarly, the detailed design was launched for Dair El-Balah Sanitary Landfill Site which had exceeded its capacity years ago and it constitutes a technical challenge in terms of its location and shape. Technically, the implementation of Closure Plans of Dier Al-Balah Landfill required acquiring additional land in order to reshape the side slopes of the landfill for more safety and stability; Thus JSC-KRM purchased 8,000 m2 of the adjacent land to complete the closure plans. Closure activities are anticipated to be launched in the first quarter of 2021.

Implementation of the Abbreviate Resettlement Action Plan (ARAP)

Implementation of the Abbreviate Resettlement Action Plan (ARAP) for waste pickers is completed and covered in the previous reports. All previous waste pickers (17) were assisted with alternative livelihood projects with satisfying results.

6.3.2 Component 2: Institutional Strengthening

Under this component, many goods were supplied and delivered to the JSC-KRM by 2020 as supply furniture for the JSC-KRM facilities, Supply and install IT equipment and communication devices for JSC and supply and install of Weight Bridge for Khan Younis Transfer Station.

Grievance Redress Mechanism

JSC-KRM continued to communicate with the public during the reporting period. The global COVID-19 pandemic had affected public life in Gaza to certain degree despite the relatively low infection rates.

Social media and web-based tools took a leading role, where the official website and Facebook page of JSC-KRM were used to communicate with the service beneficiaries. JSC-KRM and member municipalities used their Facebook page to increase the awareness of the solid waste workers and the people about the protective measures of COVID-19, in addition to guide them about the proper ways to dispose the domestic waste during that crises period.



Nusirate Municipality



Dier Al-Balah Municipality

Awareness key messages at JSC-KRM and member municipalities



Stakeholder Engagement

During 2020, JSC-KRM organized different events and consultation activities for different targeted groups (Students, women, Engineers, Municipalities, ...etc) such as orientation sessions to explain the project activities and JSC-KRM roles, sites visit to the landfill and transfer stations, awareness programs for households and for schools ...etc.

- **Household site visits** continued as usual by the JSC awareness team in coordination with member municipalities. Households are targeted once there is a problem of cultural behavior of the people at the area e.g., throwing the waste at an open area instead of the waste containers ...etc. also household visits and consultation meetings are occurred once the solid waste management system is changed in any area like to change the system from collection house to house system to be waste collection by using containers (secondary collection).



Household site visit in Abasan Al-Kabeera, June 2020¹¹

- **Consultation Meetings and Surveying** were also used for the new served areas by the secondary collection (JSC-KRM) e.g., a recently consultation meeting was carried out in Al Nuseirat as shown in the below Image, as well a questionnaire surveyed the satisfaction of people and if they have any problems with the new secondary collection system.



Consultation meeting in Al-Nuseirat, October 2020

¹¹ This image was taken in June, 2020 before the the announcement of COVID-19 pandemic; 1st positive case inside the society was announced on August 23rd, 2020.



- **School outreach program** was implemented targeting new group of schools in the second semester (Jan – May 2020), but it was stopped due to COVID-19 measures since March 2020.
- **Sharing information by the JSC-KRM and member municipalities** have different shapes, but the main tools is the posts and key messages on the social media and Facebook pages of JSC-KRM and member municipalities.
- **Site Visits** were carried out to Al-Fukhary landfill site by different groups e.g., new mayors of the member municipalities, NGOs such as “The culture and free thought” and the “Environmental Club of Abasan Al-Kabera”.



Landfill site visit by NGO “Environmental Club of Abasan Al-Kabera”¹²

- **Gender Engagement:** JSC-KRM formed a municipal female group in November 2020; it consists of 8 females (representing 6 municipalities namely; Khan Younis, Rafah, Deir Al-Balah, Nuseirat, Abasan Kabeera, Bani Suhaila, and 2 of JSC-KRM public awareness team). Hence, the selected municipalities are members in the JSC-KRM and represent different areas such as urban and rural areas, large and small municipalities, and geographically distributed over the all area of the JSC-KRM service area. The female group will be engaged on different levels (decision making, consultation, and sharing information), and they will be used to engage larger layer of females of the local societies for conducting FG for females, surveying for females, outreach activities for females)



First meeting of females group, November 2020

¹² **Note:** This image was taken in July, 2020 before the the announcement of COVID-19 pandemic; 1st positive case inside the society was announced on August 23rd, 2020.



As a result, and in response to the additional financing provided by the World Bank Group, a more robust Citizen, Stakeholder, and Gender Engagement Plan is designed to define a program for stakeholders' engagement, including public information disclosure and consultation, throughout the entire JSC operation cycle. The plan outlines the ways in which the JSC-KRM team will communicate with stakeholders, share information and conduct a consultation including a mechanism by which people can raise concerns, provide feedback, or make complaints about operations of JSC-KRM activities. The involvement of the local population is essential to the success of the operational activities in order to ensure smooth collaboration between JSC-KRM staff and local communities and to minimize and mitigate environmental and social risks related to the operational activities. As a respond to COVID-19 measures, the new engagement plan will utilize virtual meetings and sharing information through the social media as much as possible. Some of the face-to-face activities will be postponed for few months e.g. school awareness programs. MoH guidelines will be followed for any physical activities such as the social distancing, wearing masks and so on.

6.3.3 Component 3: Primary Collection and Resource Recovery

Supply of Waste Containers

A total of 120 container of one cubic meter capacity, 110 of four cubic meter, and 10 large containers of capacity of 40 cubic meters each to be emptied by 7 compactor trucks and 3 roll-on/roll-off trucks were supplied since mid of 2020 by the project and currently operating. Containers were distributed in Khan Younis, Rafah, and Middle Area governorates to serve the population in the JSC-KRM service area.



Supply of Refuse Containers phase II



Operations Phase: Professionalization Services for JSC

A consortium of international and local experts started in 2020 series of on-the-job training on the different procedures towards standardizing the services provided by the JSC-KRM by formulating standard operating procedures (SOP) for the different functions and train JSC staff on implementing and monitoring such SOP's. The assignment model is viewed as a promising model in the Solid Waste Management Sector that can provide a food source of lessons and procedures that can be replicated to other service providers across the West Bank and Gaza.



Consultation meeting with the international/local consultant of Professionalization Contract For JSC

6.3.4 Component 4: Project Management

During the reporting period, the project has completed the following consultancy services contracts:

- Review & Update to the Environmental and Social Impact Assessment & Management Plan for the AF project.
- Closure details design and post-closure for Deir Al Balah Landfill.
- Closure details design for Sofa landfill.

6.4 Implementation Status of the Additional Financing:

AF will be included under Component 4 (Project Management) of the parent project (GSWMP). The proposed additional project activities under Component 4 will include additional funds for project audit for GPRBA activities and two additional sub-components:

- 4(e) Subsidies to JSC-KRM, municipalities and medical waste producers to support the cost of adequate delivery of JSC services;
- 4(f) financing of services of an Independent Verification Agent with the responsibility to verify the service delivery performance of the JSC-KRM, participating municipalities and medical waste producers.

The additional finance will focus on improving the quality of the upstream services (disposal services and secondary collection) enforcing the standardizing of operations through the adoption of Standard Operating Procedures (SOP), and that will directly benefit approximately 900,000



people in Southern Gaza. To reach the objective, the Project will utilize a Result Based Financing (RBF) to address the above-mentioned operational sustainability issues concurrently. A critical chain of assumptions underpinning the Project is that the RBF grant can increase service quality which will enable the JSC-KRM and municipalities to gradually recover greater proportions of service delivery costs in order to sustain higher quality services.

Two key outcomes are expected under the GPRBA Grant activities: (a) service improvement and (b) support to cost recovery. Each of the outcomes will be measured through the achievement of predefined performance targets that will be independently monitored and verified to trigger the results-based payments.

- **Outcome 1: Service improvement**¹³ Improvements in the delivery of solid waste services is the first key outcome. The GPRBA grant will provide support to the JSC-KRM on a transitional basis to cover the costs of service delivery and improved management of the new landfill and transfer stations using upgraded operational standards and procedures. The results-based payments for service improvement outcomes will be provided based on meeting the following performance targets: (i) improved landfill services; (ii) improved transfer station services; (iii) improved container upkeep and truck maintenance service (secondary collection services); and (iv) improvement in medical waste service. Details on the indicators and the associated targets are elaborated in section 2.5.1.
- **Outcome 2: Supporting cost recovery.** Increased fee collection and targeted reduction of service costs, both designed to support the financial standing of the JSC-KRM, comprises the second key outcome targeted by the GPRBA grant. To continue delivering improved solid waste services and properly manage the sanitary facilities, JSC-KRM needs to reach a reasonable level of fee collection through increased billing and collection of fees from the municipalities and MWPs. Additionally, the costs of medical waste treatment can be reduced to increase the viability of that service.

Performance targets related to the two outcomes (service improvements and cost recovery) will be periodically monitored and evaluated by an IVA to trigger results-based payments. The independent verification agent (IVA) will design a work methodology in a manner that will ensure complete verification of targets performance in line with the basic performance assessment scorecard of Improved Landfill Services, Improved Transfer Station Service, Improvement in Container upkeep and truck Maintenance, Improvement in Medical Waste Management, and Increase in JSC Fee Collection Rate.

¹³ AF Project Paper, Report no. PAD3545



6.5 Project Result Monitoring

Table 35: Project Results Monitoring updated per Midterm Review

Project Development Objective (PDO)	Core	Unit of Measure	Base Line	Cumulative Target Values				
				YR 1	YR 2	YR 3	YR 4	YR 5
				2015	2016	2017	2018	'19/2020
PDO Indicator One: Percentage of solid waste collected from the targeted beneficiary population that is disposed of in a new sanitary landfill developed under the project.	☒	%	0%	-	-	0	0	80%
			Actual	-	-	-		
PDO Indicator Two: Percentage increase in fees collected annually within the JSC towards cost recovery.	☐	%	15%	-	-	20%	40%	50%
			Actual	-	-	30%		
PDO Indicator Three: Number of waste pickers whose lives depend on the existing solid waste context and who are integrated into inclusion programs under the project	☒	Number	16	-	10	16	16	16
			Actual	-	-	16		
PDO Indicator Four: Contaminated land managed or dumpsites closed under the project.	☐	Ha	0	0	0	0	0	10
			Actual	0	0	0		
PDO Indicator Five: Direct Project Beneficiaries (number) of which females (percentage)	☒	Number	N.A	0 (49%)	0 (49%)	2,216 (49%)	2,216 (49%)	917K (49%)
			Actual	0	0	2,216		
Intermediate Results (Component One): Solid Waste Transfer and Disposal Facilities								
1.1: 1 Sanitary Landfill in the Southern Gaza Strip (Al-Fukhari (Sofa) is constructed and operational.	☐	Yes/No	No	-	-	-	-	Yes
<u>Status:</u>	COMPLETED							
1.2: Interim cell is constructed in a sanitary manner to accommodate incoming MSW from the target area during the construction of the new Sanitary Landfill.	☒	Yes/No	0	-	-	Yes	Yes	Yes
<u>Status:</u>	COMPLETED							
1.3: Closure of Existing Dumpsites at Sofa and Dier El-Balah	☐	Yes/No	0	-	-	-	-	-
<u>Status:</u>	Design Completed, Implementation in 2020.							
1.4: Industrial and municipal waste disposal capacity created under the project	☐	Cu.m	7	-	-	350K	350K	2,350K
<u>Status:</u>	On Track				0	350k		
1.5: At least one transfer station in the targeted area is constructed, and two transfer stations are fully equipped and operational by the end of the Project.	☐	Number	0	-	-	2	2	2
<u>Status:</u>	On Track				-	-	1	1
1.6: Temporary jobs created under the various activities of Component 1.	☐	Number	0	0	10K	20K	30K	40K
				-	2,280	17.35K		



Project Development Objective (PDO)	Core	Unit of Measure	Base Line	Cumulative Target Values				
				YR 1	YR 2	YR 3	YR 4	YR 5
				2015	2016	2017	2018	'19/2020
Intermediate Result (Component Two): Institutional Strengthening								
2.1: Training days provided to the Technical Operations Unit and other JSC-KRM staff and Board members as part of the targeted capacity building activities financed under Component 2.	☐	Number	No	-	0	31	50	100
Status:	On Track			-	-	31		
2.2: New JSC Bylaw is approved and operational plans are defined.	☐	Yes/No	No	No	No	No	Yes	Yes
Status:	On Track			-	-	-	-	Yes
2.3: Service Contracts are signed with member municipalities and UNRWA	☐	Number	0	0	0	0	15	18
Status:	Signed with UNRWA			-	-	-	1	
2.4: Capacity is established for JSC to operate new infrastructures created under the project.	☐	Yes/No	No	No	No	No	Yes	Yes
Status:	On Track: Professionalization			-	-	-	-	
2.5: Intended beneficiaries that are aware of project information and project supported investments	☐	%	0	0	0	25%	25%	50%
Status:	On Track			-	-	2.5%		
Intermediate Result (Component Three): Primary Collection and Waste Recovery								
3.1: A strategy plan for the optimization of primary collection and transportation of solid waste in the targeted areas is created by the end of the project.	☐	Yes/No	No	No	Yes	Yes	Yes	Yes
Status:	On Track			-	-	-	-	Yes
3.2: A strategy plan for optimizing waste recovery in the targeted area is created by the end of the project.	☐	Yes/No	No	No	Yes	Yes	Yes	Yes
Status:	On Track			-	-	-	-	Yes
3.3: A strategy plan for the elimination of random dumping in the targeted area is created by the end of the project.	☐	Yes/No	No	No	Yes	Yes	Yes	Yes
Status:	On Track			-	-	No		
Intermediate Result (Component Four): Project Management								
4.1: MDLF-PDSU maintains adequate staffing for project management, environmental and social safeguards and fiduciary staff throughout the life of the Project	☐	Yes/No	No PDSU	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No
Status	On Track			Yes	Yes	Yes	Yes	Yes
4.3: Interim IFRS and Progress Reports are submitted to Financing Partners in a timely and satisfactory manner.	☐	Yes/No	No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No
Status	On Track			Yes	Yes	Yes	Yes	Yes



6.6 Obstacles and Challenges

As the project started the operation of facilities during 2019 and 2020, the issue of cost recovery of service providers (LGUs and JSC) constitutes a major challenge, especially with the emergence of the COVID-19 pandemic that had furthered hindered municipalities' ability to collect fees. The anticipated additional finance will provide much needed support to sustain services that is in addition to complementing the different infrastructure and technical interventions by GSWMP that shall put the JSC on track towards improving cost recovery and the start of enhancing the course of JSC this from the response zone to the standardized service and planning zone.





7. Local Government Reform & Development Programme – Phase 2

7.1 Introduction

The Palestinian Local Government system is in a development process which involves increased decentralization and strengthened fiscal, organizational and management capacity, increased citizen participation, and improved efficiency and viability of service provision. The new Local Government Councils (LGUs) Cooperation & Amalgamation policy adopted by MoLG serves these local governance concepts.

Both the Palestinian Authority and the Government of Belgium as a key pillar recognize local Government in the state-building efforts: not only through its contribution to a better public sector performance but also through its potential for local economic development on a territorial basis. Contributing to both objectives constitutes the backbone of the bilateral cooperation in the Local Government sector. It guided Belgium support through the years, and with an incremental approach, towards facilitating and strengthening collaboration mechanisms between Local Government Units, focusing particularly on the smaller local authorities. The Local Government Reform and Development Programme (LGRDP) - phase II (based on LGRDP achievements) is a step further in this direction.

7.2 LGRDPII Description

The general objective of the program is to contribute to the improvement of management, development and administration system of the Local Government Sector in the Palestinian territories within a decentralized framework.

The specific objective is, therefore, to contribute to strengthening the capacities of LGUs to cooperate in providing services, promote local development and contribute to territorial integration.

The LGRDP II will contribute to territorial integration through its support of inclusive planning and development of LGUs' territories, with a special focus on reducing local disparities (social, economic and political). It will cover Areas A, B, and C and tackle various socio-economic realities. The program will be implemented and managed by the MDLF working alongside the Joint Service Council at the LGUs inside the benefit clusters. A program steering committee chaired by the MoLG will guide the implementation at the policy level. The Belgian Technical Cooperation (ENABEL) will follow the implementation closely through the program steering committee & Technical Committee.

The Steering Committee (SC) is considered the formal focal point for joint decision-making for LGRDPII. The SC coordinates between the MoLG, MDLF, relevant stakeholders and the ENABEL.



The LGRDP II program design builds on, and reinforces, key achievements and lessons of LGRDPI implementation:

- *LGRDP II must accompany MoLG in the transition from accompanying pilots approaches to uptake into policy work. Coherence and strategic focus of the program different areas of support are necessary to better promote the leverages to go, 'from a pilot to a policy'.*
- *LGUs themselves must be considered as actors of their development. This means paying more attention to local governance (as opposed to the local government only), focusing on the relationships between stakeholders at a local level (i.e. LGUs) but also the private sector, civil society...etc. to improve their interaction, stimulating the accountability of local government towards the citizens, social demand from citizens...etc.*
- *MoLG regional directorates (RD's) role in interaction with key actors at each level of the local government system must be further reinforced.*

The LGRDP II will target (3) category clusters in the West Bank which are subject to LGUs collaboration, the clusters are as follows:

1) Al Karmel Municipality – Hebron Governorate

(Newly amalgamated municipality form from 4 LGUs Al Karmel, Main, Khalet Saleh, and Hadedeyah)

South Bethlehem JSC – Bethlehem Governorate

(Jort Eshama', Wadi Ennis, Um Salamona, Marah M'ala, Al Ma'sarah, Khalet Elhadad, Al Mansheyah, and Wad Rahal)

Beit Leqia JSC – Ramallah Governorate (Beit Leqia, Khabatha Al Misbah, and Hay Al Karamah)

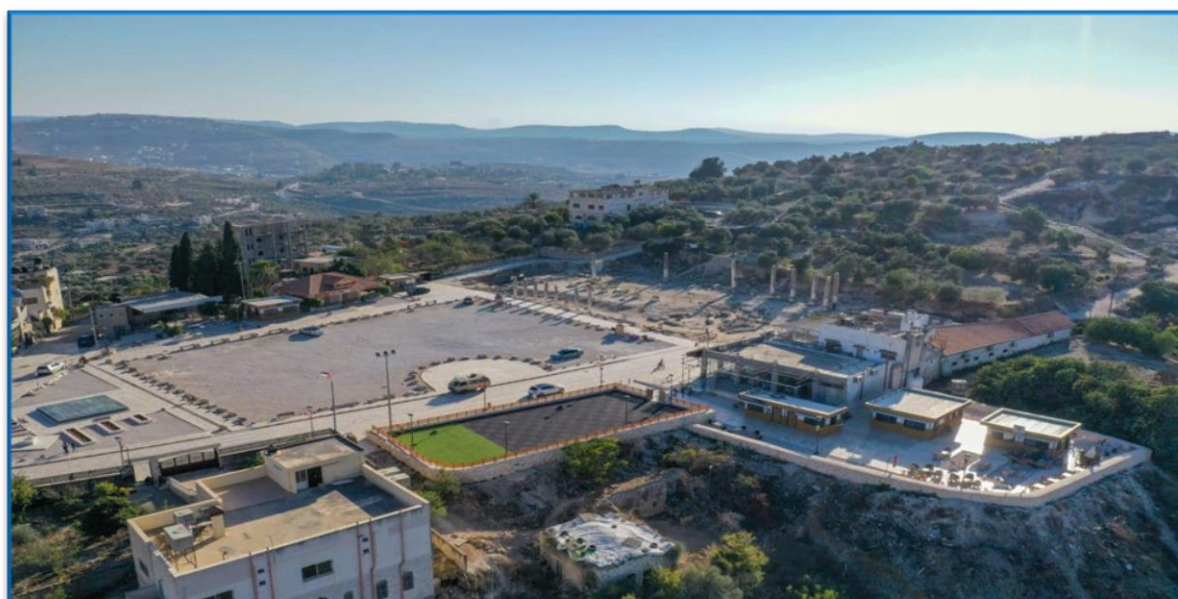
Baita Cluster – Nablus Governorate (Audala, Beita, Ausareen, and Za'tara)

11 new established municipalities, the new municipalities are (Barta'a Al Sharqiya, Ajja, Qusra, Kufr Aqab, Hizma, Battir, Beit Hanina, Beit Kahel, Nahalin, Kober, and Deir Samit).

Six new clusters under ARD initiatives programme, the new clusters are (Beit Leqia, Barta'a, Khalat Al Mayah, West Bani Zaid, the first JSC in Qalqilya, and South East Bethlehem JSC).

7.3 Financial Partners' Contribution:

The Palestinian National Authority (PNA) has received financing in the equivalent amount of 6.420 Million Euro from the Belgium Government towards the Local Government Reform and Development Programme- Phase II (LGRDP II) starting from 25 April, 2016 until 30 November, 2020.





7.4 Main Activities & achievements:

56 interventions had been implemented under the programme for the benefit of the clusters as shown in **Tables 36, 37 & 38** below:

Table 36: Interventions Implemented in (Beit Leqia, Al Karmel, Baita, and South East Bethlehem JSC)

No.	Cluster	Project Name	Output	Job creation Person/Day
1	Beit Leqia	Supply and Installation of Prepaid Water Meters for Beit Liqia, Hai Al-Karamah & Kharbatha Al-Misbah Water Supply System - PHASE 01b	2000 Prepaid water meter	217
		Street lighting for the main road between Beit Liqia & Kharbatha	180 unit, and 40 electricity columns	143
		Purchase Bobcat for Beit Liqia JSC	One machine	20
		Street lighting for Beit Leqia cluster	40 electricity columns	31
		Street lighting for Beit Leqia cluster	130 unit	16
		Rehabilitation of water network in joint srvcies council (Beit Leqia, Kharbatha Al Misbah)	4.5 km water network	1166
Subtotal for Beit Leqia Cluster				1593
2.	Baita	Supplying Solid Waste Truck for Baita Cluster	One machine	52
		Supplying Electricity Platform Vehicle for Baita Cluster	One machine	30
		Supplying Bus for Za'tara, Baita Cluster	One machine	13
		Paving & Rehabilitation the Main Roads for Udala & Osareen (Baita Cluster)	1.5 km of roads	580
		Supplying Furniture & equipment's for the Health Clinic Center for Baita Cluster	240 s.m	31
		Supplying Street Lighting units for Baita cluster	415 unit	30
		Improvement of Beita cluster Electricity network	5 km electricity network	687
		Subtotal for Baita Cluster		
3.	Al Karmel	Street lighting for the main roads in Alkarmel	598 unit and 32 electricity columns	174
		Rehabilitation & Paving Internal Roads in Alkarmel	3 km of roads	1141
		Construction Side Walks for the Main Entrance	1.5 km of roads	270
		Supplying Skid loader (Bob Cat) for Al Karmel Municipality	One machine	12
		Supplying of Solid waste collection Truck for Al Karmel Municipality	One machine	36
		Supplying Solid waste containers with different types for Alkarmel Municipality	400 containers	45



No.	Cluster	Project Name	Output	Job creation Person/Day
Subtotal for Al Karmel Municipality				1678
4.	Joret Shama'a	Paving the remaining section of Joret Al Sham'a - Wad Rahal connection Road in South Bethlehem JSC	0.5 km of roads	140
Subtotal for Joret Al Shama'a Cluster				140
5.	Consultant Assigment	Support Al Kamandjati Festival	N.A	20
		LTC for LGRDP II program (ARABESC)	N.A	380
		I.C for Machine Technical Assistant	N.A	32
Subtotal for consultant assignments				452

Table 37: Interventions Implemented in the new municipalities.

Municipality	Project Name	Output	Job creation person/day
Deir Samit Municipality	Rehabilitation and furnishing the Health Clinic center	450 s.m	660
Beit Kahel	Rehabilitation the municipality building in Beit Kahel	250 s.m	780
Kober	Paving & rehabilitation internal roads in Kober	2 km of roads	372
Beit Hanina	Supplying Bob cat machine	One machine	20
Nahallin	Construction Public Park	1400 s.m	237
Total for the new municipalities			2069

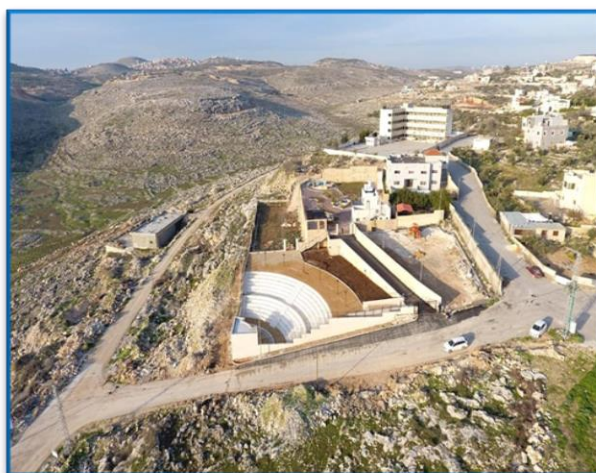




Table 38: Intervention Implemented under ARD Initiatives clusters

No.	Cluster	Project Name	Output	Job creation person/day
5.	Beit Leqia	Supplying Electricity Platform Vehicle for Beit Leqia Cluster	One machine	35
		Rehabilitation the connection road between Beit Leqia & Hay Al Karamah	1.6 km of roads	701
		Subtotal for Beit Leqia cluster		736
3.	Jourit Amra	Supplying Solid waste collection Truck for first JSC in Qalqilya	One machine	33
		Supplying Wheel Excavator (Bajer) for First JSC in Qalqilya (Jourit Amra)	One machine	30
		Supplying Solid Waste Containers for First JSC in Qalqilya (Jourit Amra)	32 containers	30
		Supplying Movement Vehicle for First JSC in Qalqilya (Jourit Amra)	One machine	13
		Supplying Electricity Platform Vehicle for First JSC in Qalqilya (Jourit Amra)	One machine	35
		Installation Trace for Heavy equipment's in Jorit Amra JSC	80 s.m	44
		Subtotal for First JSC (Jorit Amra)		185
4.	Barta'a Cluster	Rehabilitation the connection road between Barta'a & Al Mintar	1 km of roads	631
		Supplying and Install equipment's for Barta'a municipality (one Lot)	One machine	16
		Providing the Solid waste containers for Barta'a municipality	700 containers	24
		Supplying Solid waste collection Truck for Barta'a	One machine	33
		Subtotal for Barta'a Cluster		704
5.	Bani Zaid Municipality	Rehabilitation & Furnishing the joint planning services building for West Bani Zaid Cluster	200 s.m	209
		Supplying Wheel Excavator (Bajer) for West Bani Zaid Municipality	One machine	30
		Rehabilitation the connection road between West Bani Zaid & Abud	3 km of roads	1113
		Subtotal for West Bani Zaid		1352
6.	Khalet Al Mayah V.C	Supplying Movement Vehicle for Khalet Al Maayah V.C	One machine	18
		Supplying Electricity Platform Vehicle for Khalet Al Mayah V.C	One machine	36
		Development of the Electricity Network	1 km electricity network	72
		Supplying & Install electricity transformers for the V.C	2 transformers	10
		Supplying Tools, fittings, and equipment's for the maintenance of the water Network in Khalet Al Mayah V.C	1 km of water Network	90
		Subtotal for Khalet Al Maya V.C		226



No.		Cluster	Project Name	Output	Job creation person/day
7.		South East Bethlehem JSC	Supplying & Install tools & materials to improve the schools environment in South East Bethlehem JSC	600 s.m	244
			Supplying Solid waste collection Truck for the JSC	One machine	33
			Supplying Solid waste containers for Bethlehem JSC	400 containers	28
Subtotal for South East Bethlehem JSC					305

Table 39: Progress against the Outputs

Output	Output Target	Output Results	Output Completion Date	Comments (Including reasons for possible delays)
<u>OUTPUT 1:</u> Supported LGUs invest in infrastructure to provide services, promote local development and territorial integration.	Supplying 2200 prepaid water meters & paving 6km of roads, supplying 17 services machines, and supplying 2200 street lighting units, rehabilitation 12 km of water networks, develop 6 km of electricity networks, and 3 km of water net work. Supplying 600 solid waste containers, for the benefit clusters and municipalities.	2000 prepaid water meters was supplied, 945 street lighting units and 112 street lighting columns, 18 services machines, 5.5 km of water network, 6km of electricity network, 1532 solid waste containers, 13.6 km of roads, 15,840 m2 of public buildings and facilities The implemented projects create 13,299 person/day. promote local development and contribute to territorial integration	November 2020	- Lack of capacity within the target JSCs to follow up with the implementation of the activities. - Some of the target areas are located in Area "C"
Output 2: MDLF management fees	7% of the allocation budget	MDLF operation cost for implementing the program.	November 2020	
Output 3: Subsidy agreement support 6 new municipalities	Paving 4 km of roads, supplying 650 street lighting units, and construct 5500 square meters of public facilities & buildings.	Paving 4.5 km of roads, supplying 650 street lighting units, and construct 5300 square meters of public facilities & buildings.	March, 2019 (completed)	Lack of capacity within the target new municipalities to follow up with the implementation of the activities.



Table 40: Risk Mitigation Matrix for LGRDP II

Obstacle/ Risk	Adverse Impact	Mitigation Measures/ remedial actions
Difficult process on reaching consensus on the concept of LGUs Collaboration.	Long period for obtaining the approval of local authorities on the decision making.	Meeting in the presence of MDLF were conducted.
Extra requirement of local authorities / JSCs were requested.	Budget of the project increased	Extra Budget was located for justified requirements.
Lack of LGUs/JSCs capacities in review and implement their projects.	Long period for preparing the LGUs/JSCs projects.	MDLF conduct workshops to enhance the capacity of the LGUs/ JSCs. MDLF support the technical staff for the LGUs/JSCs.
Some of the target areas are located within Area "C".	Long period to discuss this issue.	MDLF & LGUs consulted this issue with all partners.
Co-vied 19	Emergency conditions	MDLF work with Emergency plan

7.5 Lessons Learnt and Recommendations

- It is essential to allow for a maximum level of involvement by local communities with the activities of the program and connect the activities with services provided by the JSCs.
- It is mandatory to enhance the existing communication strategy between all stakeholders, as well as citizens at each cluster, through awareness-raising activities.
- LGRDP II interventions must focus on the services provided by the JSCs, as well as the interventions that were approved in parallel with the institutional development.
- The laws & regulations related to the LGUs collaboration must be reviewed and updated. It is also important to implement the bylaws of the JSCs.
- It is crucial to conduct workshops and training courses to enhance the capacities of the LGUs and JSCs.



8. Integrated Cities and Urban Development Project (ICUD)

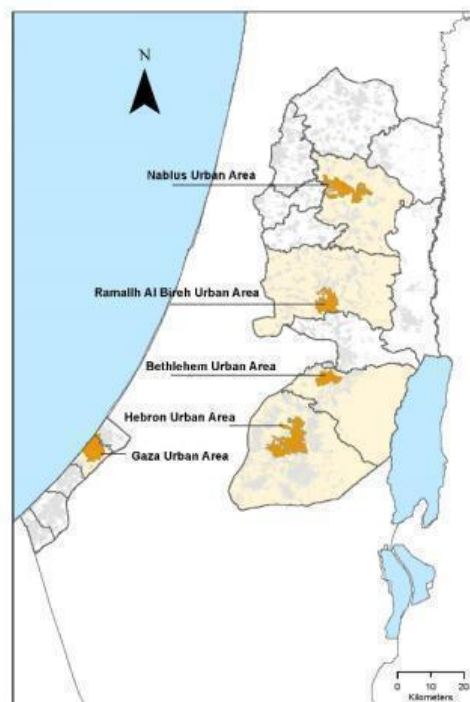
8.1 Introduction

The project focuses on strengthening the institutional and technical capacity of participating in urban areas to plan for sustainable urban growth through, among other things, the provision of technical assistance, goods, and training, ensuring a robust process of collaboration among local government units (LGUs) comprising of participating urban areas and their strong ownership and commitment.

It is a four-year project designed to enhance capacities needed for the cities and towns in the participating main urban areas of WBG to plan for sustainable urban growth.

The ICUD project will be implemented by the Municipal Development and Lending Fund (MDLF) and technically overseen by the Ministry of Local Government (MoLG). The Local authorities in main urban areas will technically collaborate in coordination with the Ministry of Local Government and Municipal Development and Lending Fund in implementing the project. MDLF will be responsible for the fiduciary management of ICUD, the reporting and M&E, and the environmental and social safeguards of the project.

The Integrated Cities and Urban Development Project – ICUD, is a 4-year World Bank-funded project jointly implemented by the Ministry of Local Government and the Municipal Development and Lending Fund. The project will work on strengthening the institutional and technical capacities of the participating urban areas to plan for sustainable urban growth through the provision of, inter alia, technical assistance (TA), goods, and training.



8.2 Description

8.2.1 Project Development Objectives (PDO)

The Project Development Objective (PDO) of ICUD is to enhance the capacity of participating in urban areas to plan for sustainable urban growth.

8.2.2 Project Beneficiaries

The participating project in urban areas will consist of four urban agglomerations¹⁴ in the West Bank (Nablus, Hebron, Bethlehem, and Ramallah) and Gaza City. These five participating urban areas have been selected because of their strategic importance in terms of population and future economic growth. The population estimate of these urban areas as they currently stand is 1,340,

¹⁴¹. The urban agglomerations are defined as built-up urban areas extending across existing municipal and village council boundaries with common labor and housing markets and were identified through spatial analysis of urban extent, and in consultation with MoLG and selected LGUs.



4253 (Based on PCBS predicted populations for 456, /2016) representing 28% of the total population of West Bank and Gaza and include 30 LGUs (16 Municipalities and 14 Village Councils). The currently identified LGUs of the urban areas are:

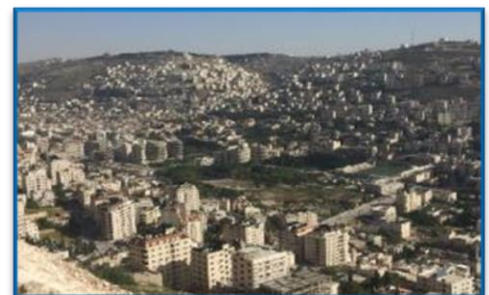
(i) Ramallah Al-Bireh agglomeration with the municipalities of Ramallah, Al-Bireh, Betunya and Surda Abu Qash. The adjacent cities of Ramallah and Al Bireh and Betunya, and Surda-Abu Qash; all making one urban area that shares infrastructure and resources. This urban area is currently one of the most important Palestinian cities, as it is considered the administrative area of the Palestinian Authority and attracts a lot of internal migration from job seekers.



(ii) Bethlehem agglomeration with Bethlehem, Beit Jala, Beit Sahour, Ad Doha, Artas, and Al Khader local authorities. The Bethlehem agglomeration also includes the towns of Beit Jala, Beit Sahour and Ad Doha, Al Khader and Irtas village, all having biblical significance; that makes the economic base of religious tourism which this urban area is famous for, as well as sharing natural resources and basic overlapping infrastructures.



(iii) Nablus agglomeration with Nablus Municipality, and the VCs of Azmut, Deir-al-Hatab, Salim, Rujeib, Kafr Qalil, 'Iraq Burin, Tell, Sarra, Beit Iba, Qusin, Zawata, Beit Wazan, Dair Sharaf. Nablus city is surrounded by a group of under-developed villages that act like suburbs with big demand for housing, making the biggest urban center in the north of West Bank, home to many educational and health institutions, and creating job opportunities. The population projections showed that more 424,400 inhabitants will be served by the Greater Nablus area in the year 2025. This rapid increase of population almost accompanying with the increasing demand on space, water, infrastructure, job opportunities, and renewable resources needs to be addressed at the agglomeration level to overcome the problems facing the city, and upgrading the planning process from the local level to the agglomeration level is needed.

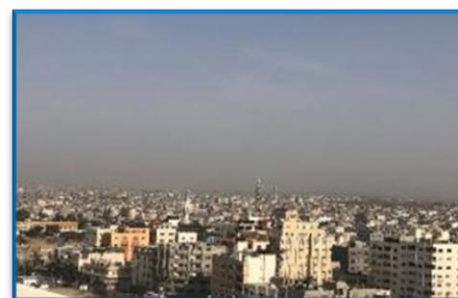


(iv) Hebron agglomeration with the municipalities of Hebron, Taffuh, Dura, Halhul, and Beit Kahil. Hebron city and the surrounding adjacent four big towns are highly dense urban areas with a population of over 300 thousand by the end of 2016, is considered the hub of the commercial and industry in the southern part of West Bank, yet faces lack of proper planning, congestion, deficiencies in upgrading and developing different parts of the urban area, hinders investments; thus making the urban growth planning a necessity to reach their potential economic growth limits.





- (v) Gaza Municipality of Gaza City. The Gaza strip is a very population dense which makes identifying a clear agglomeration difficult. After consultations with Gaza City and taking into account the different constraints of working across administrative boundaries, as well as the huge and very dense population in Gaza City proper, the ICUD project will focus its support only on Gaza City. This will enable the authorities to better integrate and utilize forward-looking growth planning in their work, and also would support them in integrating different neighborhoods into the city's planning.



8.2.3 Project Components

Component 1: Planning for Sustainable Urban Growth.

- **Sub-Component 1.1: Structured capacity development support for urban growth planning.**
This component objective is to strengthen the institutional and technical capacity of participating urban areas and analytical underpinning of current urban planning practice to plan for sustainable urban growth through the provision of, inter alia, technical assistance (TA), goods, and training. Through the intra-urban area coordination mechanisms, the participating urban areas will be supported to conduct urban growth planning. The objective of capacity development support for urban growth planning is to enable the urban areas to respond more efficiently to the needs of their growing population and private sector with more sustainably and well-planned urban spaces and infrastructure.
 - *Milestone I. Establish and actively maintain intra-urban area coordination mechanisms.*
 - *Milestone II. Complete baseline assessment of the existing urban extent.*
 - *Milestone III. Complete exercise to develop cost-analyzed urban growth scenarios, and to disclose them to the public.*
 - *Milestone IV. Modify respective member LGUs' plans based on the optimum urban growth scenario selected at the urban area level.*
- **Sub-Component 1.2: Demand-driven customized support for urban growth planning for the West Bank urban areas.**
- **Sub-Component 1.3: Demand-driven customized support for urban growth planning for Gaza urban area: Gaza City**

Component 2: Project Implementation Support and Management Cost.

This component will finance the training, operating costs, and goods necessary for the technical oversight and implementation support of the proposed project to be performed by, inter alia, a Technical Supervisor (TS) from Urban planning department at MOLG, Technical Coordinator (TC), Local Coordinators (LC) for Bethlehem, Hebron, and Nablus areas, and the existing Local Coordinator for the Ramallah-Al Bireh-Bitunia (RAB) Joint Coordination Unit. This component will also finance the management fee of the Municipal Development and Lending Fund (MDLF) that will manage procurement, finance, safeguards, and reporting for the proposed project based on technical inputs from the TS. **Table 41** below shows the project time frame per component.



Table 41: Estimated Timeline of the project (2017-2020)

#	Project Component /Timeline	Year 1	Year 2	Year 3	Year 4
1.	Planning for Sustainable Urban Growth.	x	x	x	x
1.1	Sub-Component 1.1: Structured capacity development support for urban growth planning.	x	x	x	x
1.2	Sub-Component 1.2: Demand-driven customized support for urban growth planning for the West Bank urban areas.		x	x	x
1.3	Sub-Component 1.3: Demand-driven customized support for urban growth planning for Gaza urban area: Gaza City		x	x	x
2.	Project implementation support and management costs.	x	x	x	x

8.3 Financing Partner Contribution

The project is funded by the WB for USD 5 million. A provision for retroactive financing of USD 500,000 (10% of Grant amount) will be provided to the MDLF to cover necessary financing, e.g. TS salary and initial operating costs. The cost breakdown is in **Table 42** below.

Table 42: Project Costs and Financing

Project Components	Project cost (USD million)	% Financing
1. Planning for Sustainable Urban Growth.	4.55	91%
Sub-Component 1.1	4.00	
Sub-Component 1.2 , 1.3	0.55	
2. Project implementation support and management costs.	0.45	9%
Total Financing Required	5.0	100%

8.4 Implementation Status

Since March 2020, COVID-19 pandemic emergency puts its shadows on many Project activities, working with targeted LGUs becomes challenging because of the frequent look downs and restriction on movement which interrupt the work of the municipalities and overwhelmed them with services for emergency and sanitation, in addition to restriction for both internal and external international flights.

Ongoing and future activities are inevitably being impacted by the COVID-19 crisis

Component 1. Planning for Sustainable Urban Growth

In light of the ongoing global COVID-19 pandemic and the current State of Emergency, the planned Implementation Support Mission for ICUD took place April 05-10, 2020 virtually with Video Conferencing (VC) to facilitate meetings.

The objectives of the mission were to review progress made in the implementation of the project, provide technical support for ongoing activities, and assess the project timeline in relation to the expected deliverables and disbursement. An action plan was developed which focuses on: (i) prioritizing project activities that can continue; (ii) documenting the current and future activities



being impacted and will likely experience delays; and (iii) developing mitigation measures to be put in place going forward.

The action plan and timeline will continually be adjusted as the situation evolves. During this period of limited government operations, the PIU will focus on maintaining the progress under ongoing activities where possible and develop future -2- activities to be implemented upon resumed full government functioning.

Another Implementation Support Mission was carried out virtually between August 24-28, The objectives of the mission were to review implementation progress and discuss the proposed restructuring of the project to adjust the timelines given delays in activities.

Main Findings: To ensure that the project will achieve its PDO, very close implementation support will be required. Key activities are delayed due to COVID-19 pandemic that is interrupting project execution but also from previous actions that impacted implementation. These include: (i) the first year of the project faced start-up issues due to changes in the Project Implementation Unit (PIU), and bureaucratic issues affecting coordination among the MoLG, MDLF, and PIU causing earlier delays; (ii) ICUD is the first project to introduce the methodology – “metropolitan” joint planning – for the leading urban areas of Palestinian territories, and the process of cooperation and agreement among the local government units (LGUs) on joint activities and identification and prioritization of joint activities was lengthy and impacted by Year 1 delays; (iii) little experience on how to address activities including capacity development; (v) delays in the Strategic Environmental and Social Assessment due to insufficient capacity of the selected firm compounded by COVID-19, delayed the procurement for the Spatial Development Frameworks (SDFs) and the pilots projects, which build on the findings of the Strategic Environmental and Social Assessment (SESA); and (vi) understaffing and insufficient support at the PIU to process all project activities. The pandemic further affected planned missions, delivery of major capacity development activities and ongoing assessment deliverables, and the hiring of support staff. The PIU and MoLG have made a concerted effort to address these issues and keep the project on track including reconstitution of the PIU staff in Year 2; hiring of specialists for technical support including the institutional development advisor and the urban planning advisor; and continuous follow-up with the LGUs to maintain progress. The Implementing Agency is proposing a one-year, no-cost extension of the project to allow for the completion of all defined activities. Achievement of PDO remains at Moderately Satisfactory (MS) and Implementation Progress (IP) has been rated as MS also. PDO Indicator One has been completely met, and two Intermediate Indicator have been met. PDO Indicator Two will be achieved after the completion of the Spatial Development Frameworks (SDFs).

The Team is endorsing the proposed project closing date extension after carefully reviewing the project work plan prepared by the PIU, considering capacity in the PIU and the pace of implementation of activities so far.

The Team is making clear that: (i) focus will be on ensuring timely procurement of inputs (i.e., individual and consulting firms) and commitment and cooperation by the participating LGUs in the implementation of the pilot projects (that are meant to demonstrate benefits of deliberate and joint planning); and (ii) a review of progress in the work plan will be carried out during the next mission to assess whether the activities lined up can be completed within the extended closing date period and agree on adjustments to it if required. Scaling down or outright cancellation of activities that are likely to be delayed will be considered during that review. It was also agreed that the PIU’s top priority is the recruitment of additional staff to support the LGUs in carrying out the project activities.



The extension of the closing date will require a restructuring of the project - process started in Q4 2020 upon receipt of the request from the Ministry of Finance (MoF) - The restructuring will also entail the following: (i) update of the Results Framework (RF) to establish previously undefined targets as agreed at the Mid Term Review (MTR) in January 2019; and (ii) amendment of the project Grant Agreement (GA) to add “works” to Category One to enable the implementation of the pilot projects.

Sub-component 1.1

Structured Capacity Development Support for Urban Growth Planning

Milestone I Establish and Maintain Intra Urban Area Coordination Mechanism

General: To establish and maintain the intra-urban area coordination between the four urban areas members LGUs, three local coordinators in Nablus, Bethlehem, and Hebron urban areas were recruited 2017 to support the technical committees to jointly implement the project's activities and milestones (Note that Ramallah & Al-Bireh Area already had an active cooperation unit).

For the creation of the cooperation and planning units, **four MOUs between the four urban areas' LGUs were signed in 2017**, followed by the creation of the technical and steering committees. Several technical meetings with the urban area technical committee were held. An urban planner from MOLG was assigned as the new technical supervisor (TS) -Nov.2017 and the technical coordinator (TC) also was recruited mid-December of 2017.

All the urban area technical teams work on finalizing the action plan for the remaining two years focusing on the 2019 action plan and present it to the steering community (LGU Mayors) for their endorsement.

To achieve steps towards the institutionalization of Intra Urban area coordination mechanism, with the support of Hebron urban area coordinator a draft concept and road map for the institutionalization were prepared and

With direct support from the ICUD team, it was discussed with the technical teams (In more details the below following activities were done in each urban area), the first step in the proposed road map for the urban area institutionalization was to determine fields of work for each “JCU”.

Based on the recommendations of the WB, the project contracted an international Institutional Development Adviser (who joined the team Feb 2020) to provide technical guidance and recommendations on strategic, institutional, and fiscal arrangements for the formalization of joint planning at the local level and support and the formulation of a needed strategy for engaging all relevant stakeholders in this process.

The Desk Review of existing assessments, laws, governing policies for LGUs, and current practices has been conducted, however the first mission set for March 2020 was postponed (Due to Covid-19 travel limitation).





ICUD Team continued the discussion with the consultant and arrange virtual meetings with available stakeholders (Technical committee's member, Mayors, Deputy Minister, etc...) to continue the work under this activity.

This activity is a priority for ICUD to ensure sustainability of project outputs and the collaborative processes put in place by the project. Having functional joint institutional arrangements at the city wide -level will be key for Palestinian LGUs to advance from local service delivery focused planning to advanced city-wide management that contributes to growth and economic development. These arrangements will form the basis for collaboration under the next wave of interventions and facilitate increased impact and scale of service delivery in the leading urban-economic areas of Palestine.

By Dec 2020, three main deliverables were submitted

1. A diagnostic on current practices for joint planning and investment programming. The report will highlight successful as well as challenging experiences with respect to formal and informal arrangements for joint LGU planning.
2. Policy Paper presenting options for formalizing joint planning and investment programming at the LGUs level.
3. Engagement strategy required to develop and implement a formal joint planning arrangements in the participating urban areas.

And later in Dec with support from the Institutional Development Advisor ICUD Team present to MoLG and MDLF a summary of the main finding including the policy paper presenting options for formalizing joint planning and investment, engagement strategy and action plan for implementation in addition to the initial, proposed steps to support institutionalization efforts.

Following this presentation which Both MOLG (Deputy Minister of Local Government (Dr. Tawfiq Al-Budairi)) and MDLF (GB, Mohamd Al Ramhi) confirm their very positive support for the process of supporting the institutionalization process to ensure the suitability to the joint planning at the metro- urban areas level, it was agreed that the team will work on a work plan (for year 2021) to start the consultation with the stockholders and support the urban area with the needed tools to formalize these joint cooperation units, also MOLG asks the team to prepare a Letter of intent to send it out for the targeted LGUs within the Urban areas, Also it was highlighted to design the work plan by taking into consideration the "expected date of the election – May 2021".

Ramallah-AlBireh Urban Area

Special meetings were launched to present the new assessment methodology and tools with direct coordination by RABSA coordinator with the relevant stakeholders (both at the technical & managerial / steering levels).

The assessment was designed to look into the role which the unit played in facilitating a collective urban work (since it was established in 2006). This included examining the opportunities, bottlenecks, and the challenges affecting work, to consider any upcoming plans to advance it in addition to letting it be known by the future units

that the program is being carried out in the rest of the West Bank's urban areas.

The assessment was completed (August 2018), and the ICUD team had the chance to discuss the





report in two meetings (September, and December 2018) to develop the final draft copy presented to the mayors and (steering committees) of the RAB JCU in Mid-February 2019 to agree on strategies to move forward, as a result, the Mayors and the attendees agreed that more advanced steps should be taken as long as the municipalities explicitly express a political will to change for the better in terms of developing cooperation, to achieve the highest goal of reaching a high level of service to the citizens. The



Mayors agree on reviewing the internal administrative system- each mayor must consult his council- and the suggested road map and then meet again in a joint meeting to discuss the results. According to the road map for JCU's institutionalization, the first step was to determine fields of work for JCU. A table of fields of work was suggested by ICUD staff. These fields of work were discussed in a discussion meeting with RAB JCU in August 2019. The discussion shows that there is a need for more elaboration of the institutionalization alternatives and models to decide what is the most realistic and effective for the current and future status of JCU.

Following the assessment that was designed to look into the role which the unit played in facilitating a collective urban work (since it was established in 2006). which included examining the opportunities, bottlenecks, and the challenges affecting work, to consider any upcoming plans to advance it in addition to letting it be known, and after the ICUD team present the report to RABSA representatives in a meeting that included both technical representatives and managerial (city directors) and steering ones (mayors and councilors) to agree on strategies to move forward, as a result, the Mayors and the attendees agreed that more advanced steps should be taken as long as the municipalities explicitly express a political will to change for the better in terms of developing cooperation, to achieve the highest goal of reaching a high level of service to the citizens. The Mayors agree on reviewing the internal administrative system- each mayor must consult his council- and the suggested road map and then meet again in a joint meeting to discuss the results. According to the road map for JCU & institutionalization, the first step was to determine fields of work for JCU. A table of fields of work was suggested by ICUD staff.

These fields of work were discussed in a discussion meeting with RAB JCU in August 2019. The discussion shows that there is a need for more elaboration of the institutionalization alternatives and models to decide what is the most realistic and effective for the current and future status of JCU. based on that and on the outputs from the rest urban centers

After the international Institutional Development Adviser joined in Feb 2020 and as his methodology depends on real participation of main stakeholder, and as result of safety procedures regarding the current pandemic of COVID 19 the consultant had conduct number of virtual meetings instead of face to face meetings that included the coordinator of RABSA with the other coordinators and the ICUD team , and selected technical representatives from RABSA and the other 3 urban centers , and the mayors of Ramallah, AL-Bireh, and Betunial as a result the consultant had a form an acceptable idea about the approach of RABSA regarding the cooperation.



Bethlehem Urban Area

Several meetings with the local committee of the ICUD in BUA were done in February and March, to discuss the road map of the urban area for the remaining years, the team highlights the following:

- The main objectives, the scope of work and outcomes of the Sustainable Tourism Industry study in BUA.
- Specialized training in the tourism management sector for the urban area.
- A joint pilot project was suggested in the tourism sector.
- A capital investment plan for the area and the investment with the private sector.
- Several subjects of specialized training in urban planning were suggested to enhance their capacities in the development.
- Prepare a Spatial Development framework/plan for the urban area.

Later, the local committee discussed and elaborated on the institutionalization of the Joint Planning and Coordination Unit in the urban area, about the summarized report of the proposed institutionalization of the joint planning and cooperation. As a result of the meetings, the fields of work were identified and prioritized. The ideas were not discussed with the steering committee due to the sensitivity of the existing situation of the context in the urban area; the local committee thinks that the area lacks previous experience in joint planning with the existence of individual competition between the LGUs. In 2016 a Joint Service Council for Planning and Development between Bethlehem, Beit Sahour, Beit Jala, and Ad Doha was established on papers and was unfortunately inactivated, due to the lack of coordination mechanism and follow up responsibilities. The urban area needs the support of the ICUD, World Bank and Ministry of Local Government and their endorsements before presenting to the steering committee.

Later in July 2020, a virtual online meeting with the Mayor of Bethlehem with the institutionalization adviser was held, to discuss the institutionalization of the Joint Planning and Coordination Unit in the urban area. The mayor of Bethlehem was very motivated on the idea of joint planning, many approaches were discussed and raised in the meeting, the mobility issue is now a big challenge for the urban area and it can be one of the main incentives to find proper mechanisms of formulating the joint unit with a sufficient financial, technical capacity and authority.

Hebron Urban Area

Early 2019, Hebron urban area cooperation and planning unit's held several meetings to work on a modified road map and it was presented to the steering committee (LGUs' Mayors) who discussed and approved it.

The road map mainly focused on:

- Capacity building for technical staff (urban planners, GIS specialists and IT staff).
- Studies/plans Priorities (Transportation, social and environmental framework, capital investment, waste water and rain drainage and disposal,).
- Urban performance tool and growth scenarios.
- Pilot project Interventions.
- Integrated GIS databases.
- Joint Spatial Development Framework
- Institutionalization of the Joint Unit.

Later, several meetings have been held to discuss institutionalization of the unit, the institutionalization road map has been discussed carefully in addition to the unit's proposed fields



of work, and the technical committee has approved the road map and the proposed table for fields of work. As it was a milestone to bring Hebron Urban Area mayors to discuss the road map and the related fields of work in this stage, it was agreed that each LGU's council members should discuss it with the Local Coordinator first, who will later conduct a meeting for the unit's steering committee to approve it. LGUs of Hebron Urban Area have no previous experiences in cooperation and planning of the same level, and the scale of LGUs vary in terms of staff and resources, while it is a great opportunity for them to institutionalize the cooperation and planning unit, it is essential to have flexible model to avoid any conflict of interest and to give fair representation in decision-making process. The international institutional development advisor will be a great help to recommend a flexible model that can take into consideration the context of the Hebron Urban Area.

Following the road map, several discussions on the institutionalization of Hebron Urban Area Joint Unit and the related fields of work have been done. During 2020, individual meetings with LGUs Mayors have been conducted by the local coordinator to discuss the proposed institutional road map and fields of work, the Mayors reflections were positive toward the proposal and were ready to go further in the process. As a next step, ICUD international institutional development adviser proposed to visit and meet Hebron Urban Area Technical Committee and Steering committee representatives and due to the Covid-19, online meetings were held with Hebron Urban Area local coordinator, technical committee representative and Hebron Municipality Mayor aiming to recommend a flexible model of institutionalization that suits the context of Hebron Urban Area. The meetings were very promising and the adviser is still working on completing the assignment.

Nablus Urban Area

Several meetings were conducted with the Urban Area Technical committee in NUA to review and update the Road Map of the Urban Area, and to discuss and agree on the proposed Action Plan:

- 1- Capacity building for the project participating LGUs teams, including training for the technical staff.
- 2- Technical support for the LGUs, including planning for new studies and pilot projects.

Institutionalization of the Joint Planning and Coordination Unit of NUA, related to the next steps

and arrangements to initiate the institutionalization of the JPCU of the urban area.

The results of the meetings have been communicated to the steering committee of the urban area and got their approval. A proposal about the fields of work of the future joint planning and coordination institution, prepared by Hebron area coordinator, was presented and discussed.

A meeting with the Mayor of Nablus with the institutionalization adviser was supposed to be held late June but it was rescheduled later in July due to an emergency situation.

Gaza Urban Area

A modified road map (2020-2021) has been updated and the following points were identified

- Capacity building for technical staff (urban planners, GIS specialists and IT staff).
- Studies (Urban Development Plan, social and environmental framework, City center Development plan).
- Dissemination and suitable Use the Urban performance tool.
- Integrated GIS databases.
- Phase two of equipment.





Milestone II Complete Baseline Assessment of Existing Urban Extent

Data was collected from LGUs, several governmental and non-governmental bodies, both at the national and local levels as well as pertinent local stakeholders, government bodies and specialists.

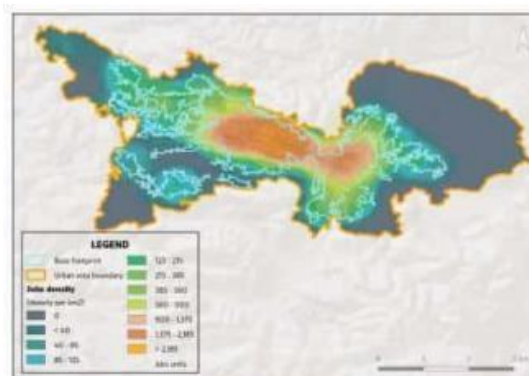
Following the data collection process, the data was reviewed, analyzed, validated and shared with the consulting firm CAPSUS who was hired to develop the Urban Growth scenario exercise and the Urban Performance (UP) Tool. The spatial data includes. Population data, land use regulations, employment hubs, existing roads, public transport systems, urban services, and amenities. While Numeric data, also called assumptions, consists of key data inputs necessary for tool calculations, such as average inhabitants per household, fuel prices, and emission factors. Spatial and numeric data was validated and uploaded to the UP tool which was the result of the data collection process. Sometimes it was necessary to process and adapt information including the generation and management of buffers, as well as the generation, management, running and publication of scenarios by the Urban Performance Tool which allows the visualization of results in a user-friendly environment.

Urban Performance includes two main components: 1) UP visualizer and 2) UP calculator. Where the full performance of the five scenarios for the urban areas of Nablus, Ramallah-Al Bireh, Bethlehem, Hebron, and Gaza City, as well as all the other possible scenarios, can be analyzed using the UP visualizer, which is accessible through a web site: www.urbanperformance.in/Palestine or at the new link http://www.molg.pna.ps/Urban_Performance.aspx

The UP calculator includes the database of the indicator's calculation processes. The database contains spatial and numeric data related to the urban areas' conditions in the base year, as well as the information to model the policy levers for the different future scenarios. The UP calculator uses the database to calculate indicators and writes the results back into the database. The data includes land use, footprint, population, distributions of Amenities, job distribution, road networks, road intersection, housing costs, and environmental and ecological spaces. A database for each urban area was received from CAPSUS and submitted to urban areas for future use and analysis.

A GIS-based map was developed for each urban area to display all the spatial information that describes the situation of the urban areas in the base year.

Also, several maps were generated representing the situation of the urban areas in the base year and the different policy levers. Public services, Employment, the ratio of housing units, population density, and public transport. The maps are useful to understand the impact of the policy levers on the results for each urban area.





In 2020, several meetings were held in urban areas to discuss with the technical teams the possibility of developing a shared GIS database (Joint geoportal GIS system), the discussion included: (1) identifying GIS requirements according to the Urban area's needs (2) Definition of the scope of the GIS and data contents (3) Definition of a data model (5) Hosting (4) Implementation of the GIS and (6) Installation, training, maintenance.

The objective of developing this assignment is improve the integrated, joint urban and spatial planning at the urban area level through enhanced data sharing among LGUs by establishing four shared Web-Based Geodatabases for four urban areas targeted in the ICUD project (Nablus, Ramallah Al Bireh, Bethlehem & Hebron). The main purpose of these geodatabases is to support, facilitate and speed up the working and planning process across the Local government units (LGUs) at the level of the urban area as one important step towards strengthening the Joint cooperation at the Urban area level, as well as serve the city planners' to view and investigate all current or planned infrastructural, sectoral and development plans and studies within each urban area. In addition to having updated information to the end user as needed in an interactive way.

After intensive virtual meetings with each urban area, a TOR was drafted by ICUD GIS specialist for developing these four shared GIS databases and the discussion of the draft TOR with the technical teams and the Steering Committees has started.

In August 2020, following up the previous discussions and after the World Bank mission, a recommendation was suggested of splitting the TOR in two phases; First: needs assessment and recommendation, second: implementation, so the contracted firm can also develop the TOR for the design of the system at the end of the first phase. Accordingly, A TOR was drafted, finalized and cleared by the World bank, the procurement was done and the assignment is expected to start by the 10 Jan 2021. consequently, this assignment will assess the current situation on the ground, the available data, the current capacities and determining the most suitable approach for the urban areas to adopt for the next phase

Milestone III

Complete Exercise to Develop Cost Analyzed Urban Growth Scenarios

The urban growth scenario assignment was launched on 22nd February 2018, by contracting a Mexican Consulting company called CAPSUS Sustainable Capital and closed/finalize on 30th April 2019.

The Three main activities were done:

1. **A set of scenarios was forecasted to the year 2035, taking 2017 as the base year.** The **scenarios** describe the possible future of the five urban areas for the implementation of policies aimed at tackling the identified **urban concerns**.
2. **The Urban Performance (UP) tool was used to develop the Urban Growth Scenarios.** Each scenario combines several policies, projects or initiatives, called **policy levers**. The performance of each scenario is measured with **indicators** that facilitate comparison and understanding of the "possible futures" of an urban area through numerical information. Planners and decision-makers can use the outcomes to create consensus with



stakeholders, request funding from cooperation agencies, test rough ideas, or disseminate the potential benefits of their projects.

3. **Technical teams in each urban area were trained on how to use and further develop the Urban Performance.** They will be able to replicate the Urban Growth Scenarios methodology in the future, according to their urban area's future context, data availability, and newly defined urban concerns and policy levers.

Four mission was done, two of them were done in 2018

Mission 1: April 22th to 3rd May 2018: the main objectives of the mission were:

1. To **introduce the UGS** methodology and the UP tool in the urban areas of Ramallah-Al Bireh, Nablus, Bethlehem, Hebron, and Gaza urban areas.
2. To obtain, from the Technical Committees of each urban area, their **vision** for their urban areas, the main **urban concerns**, and **possible solutions**.
3. To review the **information** collected by the ICUD.

Key Findings: Tables summarize the vision, urban concerns and possible solutions for each of the five urban areas. Note that the possible solutions were collected as defined by the local stakeholders, without any intervention from CAPSUS

Mission 2 30th Sep – 18th Oct 2018 had the following objectives:

1. To present results about the first indicators and scenarios.
2. To propose new indicators and discuss them to decide their development.
3. To define the combinations of policy levers to model the scenarios.
4. To make a first approach to the possible structure of local teams.
5. Start the Capacity development of the technical teams (see profiles in Annex A):
 - a. To understand the advantages of using Urban Growth Scenarios.
 - b. To learn the tool's general structure.
 - c. To understand the kind of information used to create the scenarios and how to Process it to calculate the indicators.

Between the two missions, ICUD contracted a National urban planning expert to prepare with the support of the ICUD technical team the Conceptual Spatial Framework (CSF), in which an analysis and evaluation of master plans (particularly land use and road network) in adjacent LGUs areas within each urban areas were done and defining the spatial implications of the selected Policy Levers that address the Urban Concerns of urban-areas.

Mission3: The third mission of the UGS exercise for Palestine took place between January 20th and February 7th, 2019, its main objectives:

- To present and validate the final results with each urban area.
- To develop the capacities to update and model new future scenarios in the technical teams of the urban areas, through the celebration of CD workshops based on the training material in Moodle, as their entry point and form a UP Local team in each urban area to manage and develop the tool
- To inform the Mayors/steering committees and the MoLG about the main findings and obtain their support for the main policies or projects for the urban areas.

Main Activities outputs: This mission was crucial to the UGS exercise because the final results of the scenarios and the final version of the indicators were discussed and approved by ICUD and the urban areas' Technical Committees. Also, meetings with MoLG and Mayors were held to



obtain support for the integration of the UGS work in other projects, the continuity of UP, and the potential implementation of the policy levers.

Similar to the results observed during the second visit, the training hours held with the technical staff increased their engagement. These training sessions comprised the integration of the theoretical content with the practical experience of the manipulation of the UP tool. The main outcomes of this process were: to understand the rationale of the indicators and their calculations, the structure of the templates, the generation, and management of results and scenarios, and the creation of new levels and levers.

Mission 4 (National Presentation of the Urban Growth Scenarios and Launching the new planning tool Urban Performance)

The fourth mission of the UGS exercise for Palestine took place between April 7th and 11th, 2019, and between its main objectives were:

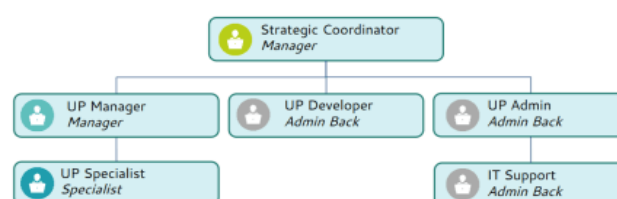
- To launch Urban Performance as a tool for the benefit of urban planning in Palestine.
- To disseminate the final results achieved during the UGS exercise.
- To engage the main stakeholders in the next steps for using Urban Performance for the future benefit of the urban areas.
- To formally close the project.



Main Activities outputs The two main activities carried out during this last mission were the official launching of the UP tool as a resource for sustainable urban planning in Palestine attended by the representatives of the 4 urban centers in west bank and by Video conference for Gaza City at technical and steering levels, WB, CAPSUS team, donors, and other national agencies, the workshop aimed to present the final results of the exercise and introduce the teams of the UP for each area, and setting the steps to ensure the future use of UP.

As part of the administrative closure, CAPSUS delivered to the World Bank staff and the ICUD team the following:

- The final version of all the deliverables
- The database, that consists of the processed and raw files used for UP
- The capacity building material
- The installation files for the UP tool



Organizational frame generated for the UGS exercise in Palestine.

Simultaneously, a series of agreements were concerted between ICUD and CAPSUS to conclude this stage of the project and define the next steps to assure the continuity of the UP tool use. Between these agreements are:

- The project concludes on April 30th, 2019
- The training delivered by CAPSUS ends on April 11th, 2019.
- The additional training for IT Teams will be done by a local consultant.
- CAPSUS will offer a year of technical support that will conclude on April 30th, 2020.
- CAPSUS will check that the UP calculator and the UP visualizer are installed in the urban areas' servers.



During May and June 2019, the five urban areas start the installation and configuring of the UP in their local servers to achieve the ownership and to enable them to use and update the tool in their planning process.

- Moreover, MOLG makes sure to take the needed actions to link the web address of the five urban areas in one webpage within its official web site <http://molg.pna.ps/> by clicking on the icon UP URBAN performance http://www.molg.pna.ps/Urban_Performance.aspx.
- ICUD also contract a local Training center to train the IT specialist in the urban areas to enable them to work on the administration and developing/coding of the UP tool, this training was launched 22 June and will cover 5 modules (**Linux-Python 2.7-PostgreSQL-WEB2PY-GitLab**) for 20 training days (2 days/ week) till end August.
- UP Local Team in all urban areas starts conceptualizing a new policy lever and or new indicator to be added in the UP Tool with technical support from Capsus
- Two online training was implemented by Capsus in Q4 2019:
 - The first training (6 training days for 13 trainees) targets the urban performance managers from the five urban areas: how to use the urban performance tool in developing and evaluating the masterplans and land use planning.
 - The second training (5 training days for 10 trainees) targets the Programs from the urban areas to integrate the local training they asked for in using/coding in the Tool.

Another launching for the urban performance tool was done in late November under the Patronage of His Excellency the Prime Minister Dr. Mohamad Shtayyeh and the minister of local government and the Court director of the World Bank, in which the urban areas present the new



steps in using the Tool and make sure the new high-level stockholder is engaged.

In 2020 Capsus and the Urban areas UP teams continue working on the following:

- Capsus released the UP Tool V4.0 update on July 2019 and with specific instruction for the UP admin and developer the UP tool was updated.
- Support the Urban areas UP teams to work/develop new indicators and/or new policy levers.
- Online training for UP managers to create Population Layers and land use layers: how to represent future population settlement options and how to translate the land use zoning of master plans using the UP in order to assess the growth options: 25 Training hours for 12 trainees were conducted.
- Online training for the IT Team: to learn how to develop and deploy new policy levers, indicators, how to modify the existing ones and to provide support to the UP specialists, In addition to enhance constant support among the five urban areas: (15 training hours for 7-8 trainees were conducted noting that the commitment was low



thus the intended topics regarding the UP Tool 's administration and troubleshooting were not covered).

As a closure for this one-year support ICUD team and CAPSUS drafted 3 questionnaires targeting 3 types of teams/specialties to assess the one-year support and to plan for the next steps if needed, the result will be integrated in the next steps below:

ICUD team drafted a communication and dissemination plan for the UP-Tool for implementation by the next year. It set out communication tools and dissemination activities to increase the visibility of the UP-Tool and ensure it is integrated into the decision-making process in the internal environment of targeted urban areas. The plan's strategy was designed to effectively disseminate the collected knowledge in the preceding UP-Tool exercise using a tailor-made dissemination approach, which targeted a specified audience to communicate a customized message through a specialized tool.

A draft fir a new Technical assistance will be prepared in Q1 2021 to fill in the gaps in the needed capabilities of the local team in the UA s and to help in implementing parts of the dissemination plan in addition to do hands on training with the team in intergrade/ model the results of the new spatial and development plans.

More specific activities had been done in the five targeted urban area:

Ramallah & Al-Bireh Urban Area

In addition to the activates mention above, as in the other areas in the third mission of CAPSUS in Palestine a capacity building workshop for the technical team was conduct through two days, it was a good opportunity for the team to understand the UGS exercise and its pre-final results and the way the UP and the visualizer works and how to load and manage data and how to run and manage and publish scenarios and how to read the results to present them to the decision-makers to support the decision about the best scenarios

Another important event through this mission was held to present the pre-final results to the mayors.

In the **fourth mission in April 2019** , a **meeting with the mayors of Ramallah, Al-Bireh, and Betunia** was held in Ramallah Municipality aimed to create the needed political support for the UP tool, the meeting included giving a quick summary about the UGS exercise and the UP tool to elaborate more on its opportunities and benefits before the official launching of the UP Tool. The Tool was installed and hosted at Ramallah Municipality servers, (with online access for other participating LGUs) and a core technical committee from the UA is responsible for managing and updating the different functions of the tool.



RABSA area worked on creation of a scenario that will monitor the current situation, specifically the progress in public lighting change to LED and present this result in Nov 2019 launching event.



Hebron Urban Area

The Same capacity building workshop was conducted in January 2019 during the third mission technical team, the trainees understand the differences between Scenarios, the definition of policy levers and indicators, and they did practical exercise and found the change in indicators. Also, a presentation of the generated scenarios has been done in this workshop was important to this area who had was not fully committed in the last 2 mission.



Hebron Municipality hosts the tool (with online access for other participating LGUs) and a core technical committee from the UA is responsible for managing and updating the different functions of the tool. Two urban policy levers were tested, the first was for school capacity to measure the spatial distribution and coverage of schools which aimed to have better coverage and more planned distribution, the results were noted and taken in consideration for future expansion of current schools and location of new schools, and the second was for the proposed locations of wastewater treatment plants, the aim was to better understanding of each location implications on the urban areas and the percentage of coverage and capacity of each treatment plant, this resulted in better understanding of the wastewater proposed locations taking into account the generated quantity of wastewater from the urban area, the investment cost and the municipal services cost.

Bethlehem Urban Area

The Same capacity building workshop was conducted in 24, 26 January 2019 during the third mission technical team, the trainees understand the differences between Scenarios, the definition of policy levers and indicators, and they did practical exercise and found the change in indicators.

A third day was held for the steering committee (i.e. Mayors) to present the final results of the Urban Performance and the UGS exercise in the urban area.





Bait-Sahour Municipality host the tool (with online access for other participating LGUs and a core technical committee from the UA is responsible for managing and updating the different functions of the tool.



BUA was the first Area to install the tool within its servers and start working on a new policy lever and use it for planning, but unfortunately the Main IT developer in the area left his position and since that the area had problems in keeping the UP running and continue the IT support, ICUD asks the municipalities to hire a new IT developer

Later in 2019 and till mid-2020, the urban area has started working on developing a new policy lever “Methane Generated Renewable Energy”. The proposed policy lever will assess the viability of investing in anaerobic digestion and composting techniques using organic materials resulting from both residential and commercial sources, through different energy indicators. The generated energy in the urban area will be used to reduce the cost of public lighting paid by the citizens in electricity bills.

The estimated amount of organic waste in 2035 in Bethlehem Urban Area is 67850 tons, in the case of anaerobic digestion will produce an estimation of 5,9 GWh/year of the generated energy. The energy generated from methane will promote sustainable development goals in Bethlehem urban area.

Nablus Urban Area

The same capacity building workshop was conducted in 27, 28 January 2019 during the third mission technical team, the trainees understood the differences between Scenarios, the definition of policy levers and indicators, and they did practical exercise and found the change in indicators.



A third day Feb 6th was held for the steering committee (i.e. Mayors) to present the final results of the Urban Performance and the UGS exercise in the urban area.

During the fourth mission of CAPSUS in Palestine. April 9th and due to the important role of Nablus Municipality, CAPSUS representative met the Mayor of Nablus city Mr. Adli Ya'ish at the Municipality Hall, the meeting was attended also by the city engineer and the head of the urban planning department at the municipality and MoLG of Nablus directorate coordinator: to presented the capacities and the importance of the UP tool as new urban planning tool for the hall urban area and its benefits in the decision-making process and Nablus city role in the UP tool hosting at, and the future steps.

The UP tool had already been installed and configured in Nablus Municipality servers, the UP team currently working to add a new policy lever for Nablus urban area to test the results using this tool .



The Urban performance managers continued the UP tool development through the examination of new Policy Levers for Nablus Urban Area about the shortages of the per-capita share of water available for domestic consumption, this due to the increased demand and lack of available resources. The new proposed Policy Lever aims to increase the per-capita share of the available water for domestic use compared to the international recommendation of the World Health Organization. Currently, the IT developers work in coding this new lever and add it to the Tool.



Gaza Urban area

The Same capacity building workshop was conducted in Feb 2019 during the third mission technical team, the trainees understand the differences between Scenarios, the definition of policy levers and indicators, and they did practical exercise and found the change in indicators.



Also a through meeting with Mayor to present the final results of the Urban Performance and the UGS exercise in Gaza city since it will be hard for the Mayor to be part of the official launching in April.

The UP tool was installed and hosted in Gaza City Municipality servers, the UP team currently working to add new policy levers to test the results using this by the tool regarding Gaza Municipality plan to accommodate the population increase of the next fifteen years in specific areas within the urban expansion in the city.

ICUD Support the IT teams/employees in Gaza Municipality in two training to capacitate them in the needed IT environment for the UP tool and both training done by May 2020

Milestone IV

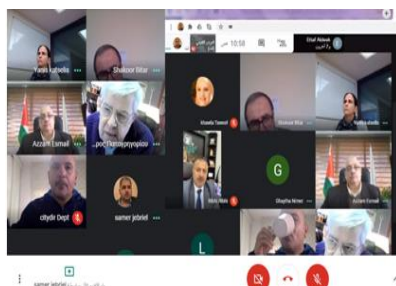
Modify Respective Member LGU's Plans Based On the Optimum Urban Growth Scenario

A Strategic Environmental and Social Assessment (SESA) was identified as an appropriate safeguards instrument to apply to this project as it primarily focuses on planning with no direct infrastructural development. This instrument would be relevant to both this project and could potentially also inform other projects that include planning aspects within the context of the specific Urban Areas that are part of this project. The environmental safeguards specialist advises and guide the preparation of the SESA Terms of Reference (TOR) and the contact was signed with an international consultant mid-December 2019 and expected to be closed mid-August 2020 but do the pandemic crises it will be expended till end Feb 2021.

During 2020 the following steps have been done:



- Kickoff meetings: In January 2020, the launching of the SESA was held in Ramallah, attended by the technical committee of all the urban area, in addition to a SESA's technical meetings in February, which was held by the consultant's joint venture team at each urban area and attended by the urban area's technical team and other relevant stakeholders, like Ministry of Tourism and Antiques, Water Supply & Sewerage Authority - Bethlehem and Joint Service Council for Solid Waste Management
- Finalizing the inception phase, which took a lot of time and several review to insure that the consultant will work on a correct methodology, and the work back team helps a lot on, and this was challenging since this is the first time we SESA will be implemented in Palestine and the Palestinian context and current planning are also challenging which is different from the consultant experience.
- Draft the **Stakeholder Engagement approach and plan** and drafting a Stakeholder List.
- Finalizing the Baseline assessment and the Policy, legal and institutional framework assessment.
- Prepare the Environmental and Social Impact Assessment which assessed Strategic Development Alternative Solutions (SDAS) against Strategic E&S Objectives and to identify opportunities and constraints i.e., potential synergies and conflicts between them.
- Priority Setting: The selection of SDASs per urban area, based on the results from horizontal ranking, performed by the JV and from vertical ranking as performed by stakeholders during the public participation process, **currently the JV are preparing finalizing the Vertical ranking and defining the priorities.**



- During Jan-Feb 2021 the JV will prepare the Management Plan – Recommendations and draft the SESA report in order to do the final Public hearing for Final SESA Presentation and Disclosure.

Starting from Q3 2020, the ICUD team and the urban planning adviser start drafting the **scope and the TOR for preparing a Joint Strategic Spatial & Investment Plans (JSSIP)**: The primary objective of these planes is to formulate a Joint Strategic Spatial and Investment Plan (JSSIP) for each of the five urban areas, focusing on facilitating sustainable forms of urban development, enabling social justice, and jointly delivering capital investment. This ambitious proposal can only



be achieved if the spatial planning components of the JSSIP are underpinned by a strategic investment plan that is jointly developed by the participating LGUs, and which focuses on the essential priorities for joint investment across each urban area.

By this Terms of Reference, the consultant is expected to deliver a duly formulated JSSIP for each urban area, based on strategic sectoral studies, urban and spatial analysis, and an infrastructure review, developing recommendations, and analyzing opportunities and constraints. The plans should develop a shared vision and set of strategic objectives for each area, and consider a number of high-level spatial strategy options. The preferred option should be developed into a detailed spatial strategy that contains a development strategy, a portfolio of strategic urban projects, identifies key land uses, and provides a set of strategic policies that collectively guide urban transformation and manage spatial change. Alongside the strategic policies the plan should include an infrastructure and capital investment plan that provides details of the proposed investments that underpin the spatial plan, including further details that will facilitate project costing, prioritization, and the future development of pre-feasibility/business case proposals. The JSSIPs must also demonstrate that all the policies and proposals are deliverable over the plan period, to facilitate implementation and delivery activities.

This TOR draft was shared with the WB team late December 2020, and hopefully will be finalized by Feb-March 2021, so the team can start the procurement.

Sub-component 1.2 and 1.3

Demand-Driven Customized Support for Urban Growth Planning

West Bank Urban Areas and Gaza Urban area

Further discussions were organized with the technical representatives of the urban areas LGUs, and draft 2019-2021 work plan was drafted/updated, several the follow-up meetings that aimed at the identification of key technical assistance activities benefiting the urban areas.

This also was reviewed in April and 2020 WB implementation missions and recently updated in Dec 2020:

Table 43: ICUD Updated Work Plan (for comp 1)

No	Activities	Estimated Cost
1	Comprehensive Public Transportation Master Plan for the Urban Center of RABSA	\$290,837
2	Strategic Environmental and Social Assessment for five targeted urban areas in WB&G	\$214,704
3	Institutional Development Adviser	\$40,800
4	ICUD Team	\$265,000
5	Senior Urban Planner	\$30,000
6	Developing a Sustainable Tourism Development Plan for Bethlehem Urban area	\$300,000
7	Training	\$140,000
8	Joint Spatial Development Framework with Capital Investment Plans for the targeted Urban areas	\$600,000
9.1	Local Technical Consultants for Pilot Project for Cardboard and Paper Sorting- Bethlehem Urban Area(Facility design + Awareness)	\$40,000
9.2	SWM/Recycling Project (Facility)	\$60,000
9.3	SWM/Recycling Project (Machine)	\$600,000
10.1	LTC Public Space - 4 Pilot Projects in Nablus, Hebron and RABSA Urban areas and Gaza City (14 months)	\$80,000
10.2	Public Space - 4 Pilot Projects in Nablus, Hebron and RABSA Urban areas and Gaza City 150,000/UA	\$600,000



11.1	Shared Database phase 1	\$20,000
11.2	Shared Database phase2	\$130,000
12	Supply of Software for Traffic Modeling	\$124,000
13	Gaza Master Plan / urban planner	\$30,000
14	City center Gaza upgrade	\$50,000
15	equipment / Gaza	\$30,000 – 60,000\$
16	Aerial photography - Gaza	\$40,000
17	Water and Waste water + IC to draft TOR and follow up (5,000\$)	\$60,000
18	Green Neighborhood Guidelines (localization)	\$50,000
19	Institutionalization Setup + equipment	\$50,000
20	UP dissemination plan	\$30,000
21	Other Miscellaneous	\$30,000

Regarding the Capacity-building

ICUD During the past period (2018 -end 2020) had implemented 20 training courses, targeted in total 322 trainees (part of trainees had more than one training) covering all urban areas participating in the project, ICUD coordinators, and MoLG representatives. These courses cover a total of 1192 Person - day.

Geographically, 15 of them were internally, and there were individuals abroad for selected trainees from Gaza, Ramallah Al Bireh, and Hebron. And one training was for all of the urban areas targeting 40 trainees in urban planning and transportation.

Percentage of females participated in the project is satisfying with 39%, and reaching in two urban areas more than the half.



# of courses	20
# of trainees	322
# of days	100
# of hours	623
Females	126
% of females	39%
Participants from ICUD	31
Participants from MOLG	20
Total Person - Day	1192

Following having the UP Tool and due to limited capacities for the IT specialist in the urban areas, a need of having a specialized training for the IT teams who will be Administering and Developing the needed codes for suitability of his Tool, accordingly ICUD contact a local training center started 22 June and will cover 5 modules (**Linux-Python 2.7-PostgreSQL-WEB2PY-GitLab**) for 20 training days (2 days/ week) till end August.



Four zero concept notes drafts were prepared and shared with the World Bank for their feedback to start the next steps in drafting the needed TORs & recurring the trainers and Integrated But due to Covid -19 and the resulting lockdowns and travel limitation these activities were postponed:

- Sustainable Urban Land Use Planning: to provide the participants with a functional and integrated understanding of the dynamics of urban land use, the training aims to ensure that participants have a functional and integrated understanding of the dynamics of urban land use and demonstrate how to effectively utilize policies and planning instruments to manage urban growth and achieve sustainable, equitable and efficient development outcomes.
- Integrated Urban Transport Planning: new directions in the urban transportation planning process, its relationship to transportation facilities development -Treat specific techniques of analysis and evaluation for urban transportation planning, and Discuss possible means of achieving project and social objectives.
- Green cities for economic efficiency: to enhance knowledge about; a greater degree of ecological and economic sustainability to gain environmental and economic benefits through the efficient use of resources, waste reduction, and management, and to enhance the knowledge of the concept of green neighborhood design, and in designing for green network and green infrastructure, and walkability and connectivity.

In addition of that, during Q1 2020 the Team works on preparation for implementing trainings, which were also postponed due to travel limitation:

- Sustainable Urban Land Use Planning Training: was supposed to be held in Jordan in March 2020 and most of the preparation and training proposal (the technical and financial proposals) was also drafted, **the Team will work how to implement this training virtually in Q2 2021**
- Traffic modeling training in Jordan (due to the unavailability of trainers on this program in Palestine) also was under preparation and the technical and financial proposals was done, it also will be implemented as soon as the travel is allowed.
- In addition to that a customized training to Gaza teams was going to be implemented in Cairo/Egypt since it is the easiest country they can reach.

Later in Q3, ICUD team considered **the current circumstances; proposed a new methodology for conducting the training sessions**, referring to the WB's technical note regarding public consultations and stakeholders' engagement in the WB-supported operations under the constraints on conducting public meetings and training.

The list of training in the training plan (CB-Plan) has been generated based on the needs of LGUs and the importance of raising capacities of the local technical teams and shall be implemented by adapting the current circumstances by a training center to provide all the needs for the category one in CB-Plan, which includes (training venues and coordinate training courses in a tight time plan with specialized trainers (according to certain qualifications Approved by ICUD and the WB), high-speed internet connection, connection programs for video and audio sessions, computers, show screens, and other related equipment and programs) along with providing any extra services, whether it is virtual or face to face training. Furthermore, the methodology proposed to split the CB Plan into two main categories, **the first category**, which depends mainly on the local expertise /training centers, will be conducted face-to-face, virtually for Gaza and vice versa, or



mixed in case of pandemic constraints (based on training center plan); in any case, the pandemic safety measures should be implemented. as for **the second category**, which requires international trainers, Possibility to hold abroad training will be decided later by third quarter 2021. This category will be prepared by the ICUD team with the WB recommendations and will not be assigned to the training center; it is possible based on the performance of the training center, to cooperate with them again for the international courses.

First category trainings are included in the TOR that has been developed during the fourth quarter of 2020 in order to attract a qualified training center. Trainings include Environmental Impact Assessment for Urban Planning projects, Capital Investment Planning (CIP), Emergency Preparedness. And Project management and fundraising





Table 43

Integrated Cities and Urban Development Project														Training Plan											
No.	Item	Estimated Cost (US\$)		Benf.							Number of Benf.	Hours	Days	Target	Location	Estimated Cost (\$)				Year 2021				Year 2022	
		max	Abrod	Nablis	RABSA	Bethlehem	Hebron	Gaza	MolG	ICUD						Trainer	Internet connection/Training Center	Accommodation	Transportation	Q1	Q2	Q3	Q4	Q1	Q2
1	Environmental Impact Assessment for Urban Planning projects.	\$16,650		4	7	4	5	4	3	4	30	35	5	Urban Planners / Engineers	Local/ Gaza Virtual	\$400	\$1,250	\$13,500	\$1,500						
2	CIP	\$18,950		5	7	6	6	4	3	4	35	30	4	Strategic officers/Planners	Local/ Gaza Virtual	\$3,600	\$1,000	\$12,600	\$1,750						
3	Emergency Preparedness	\$23,150		5	7	6	6	4	3	4	35	35	5	Strategic officers/Planners	Local/ Gaza Virtual	\$4,400	\$1,250	\$15,750	\$1,750						
4	Integrated Planning	\$7,150		0	0	0	0	10	0	0	10	40	5	Urban Planners / Engineers	Local for Gaza	\$4,400	\$1,250	\$1,500							
5	Project management and fundraising	\$18,950		5	7	6	6	4	3	4	35	24	4	Urban Planners / Engineers	Local/ Gaza Virtual	\$3,600	\$1,000	\$12,600	\$1,750						
6	Integrated Urban Transport Planning	\$27,800		4	7	6	7	4	3	4	35	35	5	Urban Planners / Engineers	Virtual	\$8,800	\$1,500	\$15,750	\$1,750						
7	UP Advanced training	\$38,580	\$45,000	6	6	6	6	6	2	4	36	40	7	Urban Planners / IT	Virtual	\$12,000	\$2,100	\$22,680	\$1,800						
8	Advanced Trans CAD	\$12,250		0	10	0	0	0	1	2	13	35	5	Urban Planners / Engineers	Virtual	\$8,800	\$1,500	\$1,950							
9	Sustainable Urban Land Use Planning	\$27,800	\$90,000	5	7	6	6	4	3	4	35	35	5	Urban Planners / Engineers	Virtual	\$8,800	\$1,500	\$15,750	\$1,750						
10	Green cities for economic efficiency	\$27,800		4	7	6	6	4	3	4	35	35	5	Urban Planners / Engineers	Virtual	\$8,800	\$1,500	\$15,750	\$1,750						
11	Sustainable tourism Planning.	\$16,600				14			3	3	20	24	4	Mayors/City managers and Planners	Virtual	\$7,200	\$1,200	\$7,200	\$1,000						
12	An introduction to traffic modeling in VISUM and VISIM for City Planning.	\$16,600	\$30,000	5			10		2	3	20	24	4	Urban Planners / Engineers	Virtual	\$7,200	\$1,200	\$7,200	\$1,000						
13	Advanced Integrated Planning / GAZA	\$27,600	\$30,000					10	2	3	15	24	4	Urban Planners / Engineers	Cairo (if applicable)	\$7,200	\$0	\$5,400	\$15,000						
	knowledge exchange between urban areas	\$10,000																							
Total		\$279,880	\$84,420	extra cost												\$85,200	\$16,250	\$147,630	\$30,800						



Five Sustainable Urban Growth Pilot Projects were identified and accordingly the Team with support of the UA's technical teams drafted its concepts/summary and with the help on the urban Planning adviser the TOR was drafted to reflect the primary objective of the assignment which is to design pilot urban interventions as part of the implementation of the ICUD Project all urban areas. The projects cover design and place making activities associated with work to an existing city center park (Gaza City), developing a network of 'pedestrian friendly streets' (Ramallah-Al-Bireh Urban Area), developing a network of 'complete streets' with light traffic-junction management and street redevelopment (Hebron Urban Area), and improvements to the bus transit system (Nablus Urban Area), Cardboard Separation Project (including the facility, Central Cardboard Baler Machine and Public Awareness Campaign- (Bethlehem Urban area)

These projects aim to create a stimulus for urban regeneration through place making and urban design that targets key public spaces and corridors that are central to each of the urban areas.

Several round of discussion with the World Bank team including the Social and Environmental Safeguards team were done and the TOR final draft will be finalized early Jan 2021, and as a requirement the safeguards team asks to have round of public consultation sessions, which were conducted in October, November and December 2020 for the five targeted urban areas in West Bank and Gaza Strip. For each consultation session, representatives of different institutions were invited such as municipalities, ministries, NGOs of women and disabled people, youth groups, and representatives of the local community. During each consultation session, a presentation about the pilot project was provided; it includes the general overview of the pilot project components, layouts, and the GRM channels. Consultation meetings were conducted using a blend of traditional and digital outreach; hence these consultations came at early stage before the design of pilot projects in order to reflect some of public and stakeholders' reflections on the design and get their feedback and concerns. Within the COVID-19 public health emergency situation, the consultation meetings were conducted in compliance with the Bank's note on "Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings"



Before the implementation, another round of consultations will be carried out once the detailed design is ready, potential impacts and measures will be discussed with the community and the project's affected people.





The following detailed activities have been implemented in urban areas:

Ramallah-AlBireh Urban Area

TRANSCAD/ Traffic Modelling Training was implemented in Jan 2020 an intensive training course was Implement in Advanced Trans CAD Transportation Modeling Training with the following specifications:

- Duration: 5 Training Days (40 training hours)
- No. of trainees: 10 (From Ramallah Al Bireh Urban Area and MOLG)
- JCU provided 4 software licenses that was used during the Training
- The Training covered themes regarding new features in the Trans Cad and the existing ones, how to view data and select it, and how to do analysis and model calibration



Comprehensive Public Transportation Plan Follow up discussions were organized with the technical committee/coordination committee of the urban area, WB, through joint and bilateral meetings to realize the final notes done by the WB on the prepared TORs, for both studies of comprehensive public transportation plan and the Extension of the Transportation Plan of the three cities of Ramallah Al-Bireh, and Betunia to include Surda -Abu Qash. The contract for the comprehensive public transportation plan was signed 5 Nov 2019, a one-year contract.

An Introductory meeting was held in December 2019, and the inception phase and report submitted early Feb followed that a first technical workshop as planned according to the project plan was conducted on the 3ed of March-2020 with the participation of representatives of key stakeholders representing MOLG, RABSA LGUs (from both technical and steering committees), MOT, HTC, and local community representatives like Taxi Drivers Association, and the Association of the Bus And Taxis Owners, the representatives of the students as main public transportation users from two main adjacent universities in RABSA urban center were invited but unfortunately didn't participated for unknown reasons.

The workshop covered issues regarding presenting international cases in public transportation, data collection progress, and the current status of the public transportation regarding software, hardware, and organization from the point of view of the participants.

The workshop was followed by a meeting that joined the ICUD team and the consultant with the deputy minister of MOT to ensure the needed coming political support of the anticipated master plan for public transportation in the next phases and in the implementation phases.

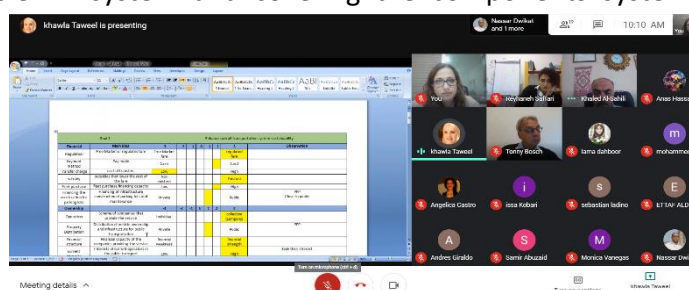


Another meeting that joins the steering committee of RABSA (mayors and city directors) ,the deputy minister of MOLG, the ICUD team, and the consultant was suggested by and ICUD team for creating a joint understanding of the outputs between these key higher managerial and political levels and obtain the needed political support for both preparation and implementation, it was planned to be held on 5th of March, 2020 but unfortunately was cancelled because of Covid-19 safety procedures that suddenly proceeded as response of the government to the pandemic.

After that, the consultant launched the data collection phase including field Inventory, interview with stakeholders, traffic Volume and classification, frequency and visual occupancy, vehicle speed survey, on board interviews, boarding and alighting, and shared-taxi passengers' interviews. This phase was divided into two stages due the lockdown, so that 80% of the data was collected until the end of June. These data were coded in the proper format and started inclusion into the model.

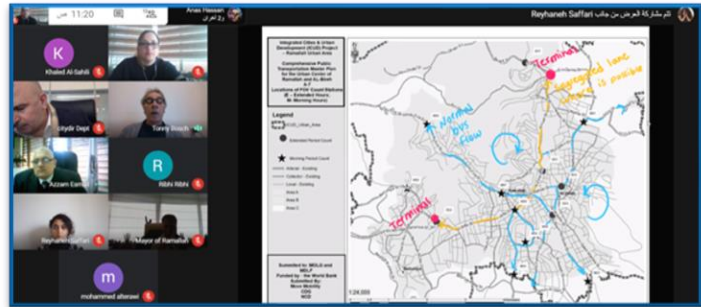
The second workshop according to the project plan was conducted virtually in September through two sessions on 17th and 22ed of September. the workshop included the attendance of the whole technical committee that is formed of the key stakeholders from the LGUs, the MOLG, the MOT, and the HCT, while the representatives of the PT operators from the private sector were met bilaterally in person to facilitate their participation in the process because they are not familiar with virtual meetings.

The first session of the workshop was pertained to introduce the results of the field work and the modeling of the base scenario, and to introduce a number of goals and measures related to the planning for a sustainable PT system and covering the components system regarding software, hardware and organization. The second session of the workshop was conducted on 22ed of September and was pertained to present the work of groups that held in between the two sessions to participate in the part of the planning process regarding setting the priorities. Three groups had to work (online) on scoring questionnaires. In addition, During the workshop the stakeholders that were online were asked about challenges and problems regarding the Public Transport of today in the study area.





The workshop was followed by number of meetings to follow up on the results, these meetings were with the technical representatives to discuss the results and the first draft of scenarios that were set as results of different goals groupings. and also the workshop was followed by at least two meetings that joined a higher managerial levels in the 4 LGUs to present the progress for them and take into consideration their comments. The time frame of the project was extended to the end of February -2021 upon the request of the consultant and the approvals of the key parts to overcome the delays caused by the lockdown because of Covid 19 that affected the early phases of the project during April and May. the work on concluding the plan on short, mid, and long terms, and the Master Plan of PT based on a pre-feasibility study is on process to be finalized by the approved dates according to the modified plan 28 Feb 2021



For the Pilot: Ramallah-Al-Bireh Pedestrian Friendly Areas: The pilot project forms part of wider work across the urban area to address sustainable urban mobility, with the municipalities looking to promote walking and reduce the dependency on private vehicle use as part of a comprehensive package of works to promote active travel and public transport use. The network of pedestrian friendly streets will cover the entire urban area and develop a 'sense of place' along each of the streets, with phase one addressing the key streets in the four municipalities. The pilot project will enable the delivery of a convenient, safe, and connected network of pedestrian friendly streets across the urban area, and support sustainable growth, Also to integrated the outputs of the Comprehensive Public Transportation Master Plan regarding pedestrian issues around the public transportation terminals and routes. Also, it is foreseen that implementing such interventions on the ground could serve as a starting point for transportation experts in the 4 LGUs and local leaders to begin mapping out their own (**Complete Streets policies**) by examining their community's needs, vision and goals and how to encourage **Active Transportation**.

The main objective of the pilot's design and implementation is to enhance the social and environmental performance of each locality, as these pilots will be at the micro level of these localities, which are the neighborhoods and will serve as prototypes that could be widely implemented in each locality by each local government and ensure connected network for pedestrians. Hence, creating social public spaces not just well-furnished sidewalks.

A consultation meeting with the representatives of the community and key stakeholder was conducted in October-2020 to guarantee the early participation in the process of planning and implementation of these parts in an early stage and take into consideration their needs.



Nablus & Hebron Urban Area

A GIS training plan for both area was conducted (Nov 2018 – Jan 2019) for both Hebron and Nablus Urban area:

For the Nablus Urban area:

- Introduce and enhance GIS capacities. The beneficiaries are LGUs engineers: The ArcGIS training for beginners implemented for a duration of 20 hours - four days of training done between 17-18 and 24-25 of November 2018, the total number of beneficiaries were 12 from the LGUs and 2 ICUD Local Coordinators.
- The intermediate ArcGIS already implemented between the 4th and the 5th & the 12th and the 13th of January 2019 (4 days) for 20 hours, the total number of beneficiaries was 12 from the LGUs and 2 ICUD Local Coordinators.
- The capacity building for the urban area teams had already been prepared, a list of several face to face training, the implementation is pending due to the current COVID-19 emergency.



For Hebron Urban area:

- Two training modules (20 hrs. each) had been conducted, the first was 4 days conducted on 10 to 13 November 2018, where the training was an introduction to QGIS and targeted the urban planners and GIS staff.
- The second training was advanced QGIS, data management and web mapping that targeted the GIS and IT specialist and had been for 4 days conducted on 15, 16, 22 and 23 December 2018



As a result, for these training modules, HUA LGUs' GIS specialists will assist each other to establish GIS databases in Taffuh and Beit Kahel LGUs and work on the development of current databases on the other LGUs through GIS specialized groups.

The Analysis of Transport Development in Hebron and Nablus Urban Area TOR was finalized, the Contract was signed Mid-March 2019 and finalized Mid-September 2019, this assignment with direct participation and involvement by the urban area LGUs in several meetings, workshops, and discussion

Were done by contacting a local consultant, the study had assessed the current traffic conditions between the LGUs and the need for enhancements of roads, or for new connecting or ring roads linking them together, and/or other solutions to improve the connectivity between all the LGUs, also reviewed and assessed existing public transportation system (shared taxis and buses) between the LGUs centers within the targeted urban areas, including public transportation terminals/stations, and operational conditions, and develop strategies and proposals to enhance the role and efficiency of the public transportation system. Also, the study provided and developed an implementation plan with identified capital investment needs for the short,



medium and long-term phases, exploring the needed proper strategies, policies, and actions, for different scenarios

Regarding the Environmental Impact Study of industrial pollution, it was agreed that it can be highlighted as part of the SESA study (Strategic Environmental and Social Assessment)



The sectoral study: **Development of Storm Water Drainage systems and sewage networks in Hebron and Nablus Urban Areas:** is part of the ICUD urban

areas Action Plan for 2019-2021, which was approved by the technical and the Steering Committees in both the urban areas. The study is one of the activities in the Road Map prepared for Nablus and Hebron urban areas to reach the result of a healthy living environment in the urban areas. The TOR for hiring a consultancy firm for the implementation has been prepared in collaboration with the urban areas technical teams, and the final draft sent to the World Bank for revision and approval.

For Hebron urban area, the study of the Development of Storm Water Drainage systems and sewage networks in Hebron and Nablus Urban Areas has been canceled, based on the ICUD urban Area coordinator's recommendation, and after he consulted with the Technical Committee. This happened because of the postponement of preparing the Master Plan for water, stormwater, and sanitation in Hebron governorate, which was conducted by the Palestinian Water Authority (PWA) due to the covid-19 situation in Hebron governorate. The study for Hebron urban area should base on the PWA master plan for Hebron governorate, and the restart of the PWA Master Plan preparation is not sure until now, this affects the timing and planning for the study in Hebron urban area, moreover to the time limits for the termination of the ICUD project. The study for Nablus urban area is still valid for the part concerning the stormwater drainage systems. For this purpose, it has launched the process for an Environmental Expert procurement to prepare the TOR of Nablus's study.

The selection of the Pilot Projects for NUA and HUA had been discussed through meetings with the Technical Committee held to select interventions needed for the urban area as a pilot intervention planned by the ICUD project and endorsed by the steering committee

NUA Pilot Project: Nablus Urban Area Bus Infrastructure: The pilot project forms part of wider work across the urban area to support the implementation of the previously conducted Analysis of Transport Development in Hebron and Nablus Urban Areas (2018), with the municipalities looking to increase the quantity, quality, and accessibility of bus stops and bus shelters, improve the passenger experience, and provide relevant passenger information, as part of a comprehensive bus network that maximizes the coverage of bus stops within the urban area. The pilot project will deliver both upgrades to existing sites as well as the development of new sites, with 30 sites requiring work on the site layout/landscaping and 40 shelters to be provided across 13 villages and Nablus



HUA Pilot Project: At the beginning the Urban Area select to work on the Development of Wadi Al-Quff National Park as the national park will be environment friendly and will take inconsideration all social and environmental impacts and serving the mother nature a, as all interventions will be environment friendly with no remarkable changes. But due to compliance issue with social and environmental assessment needed studies that will normally take long time in relative to ICUD team frame and after several meetings between WB, MoLG, ICUD team and the LGUs to discuss alternatives, a new pilot project was selected (Hebron Complete Streets (Light Traffic-Junction Management and Street Redevelopment): to develop a network of ‘complete streets’ to cover the entire urban area and develop a ‘sense of place’ along each of the streets, with phase one addressing five key streets (one in each of the five municipalities). The pilot project will enable the delivery of a convenient, safe, and connected network of pedestrian friendly streets across the urban area, and support sustainable growth.

Bethlehem Urban Area

In Bethlehem Urban Area, follow up discussions were organized with the technical committee of the urban area and drafted the zero draft TOR for **Bethlehem Sustainable Tourism Development Plan** during Q3-Q4 2019, since the Tourism theme that this urban area can depend on for more sustainable development and future.

ICUD used a help of a World Bank international expert to draft the TOR, and according to private situation he had, the ICUD used the help of a newly contracted international urban planner adviser to work with the TS in finalizing the TOR, The procurement of this assignment was launched in August 2020 and the assignment is expected to start soon in February 2021.

In February 2020, another meeting for the discussion and selection of the pilot project was held with the steering committee and as a result of the meeting the Cardboard Separation Project was selected for the urban area. The pilot project will lead to reduce the land filling cost on the LGUs in the urban area and improve the environmental impacts. In addition to make the urban area more touristic and environmental friendly, which is in line with the urban area's vision of creating a Well Organized Tourist, Economic, Cultural and Secure Centre.

The project has three components:

1. The Building of the Cardboard and Paper Sorting Center.
2. Central Cardboard Baler Machine.
3. Public Awareness Campaign-Cardboard and Paper Sorting.

Each Component of the project has a TOR and the three TORs were drafted, finalized and cleared by the World Bank. The procurement is expected to start very soon by the end of January 2021.





Gaza Urban area (Sub-component 1.3)

Demand-Driven Customized Support for Urban Growth Planning Gaza Urban Area)

Data Collection and Spatial and Sectoral Assessment assignment as phase one of the City Development Plan Preparation – Funded by Improving Resilience of Urban Service Systems / ICUD project – with technical supervision from ICUD was launched in October 2019 and finalized May 2020.

And the ICUD team and Gaza TC will draft the TOR for next step.

The team of Gaza and ICUD update the work plan as following:

For the Pilot Project: Development of Gaza Municipality Central Park: Gaza City has a high population density and a constrained land supply, with limited opportunities for new urban green spaces. As such the Gaza City municipality is looking to regenerate and enhance the city center park as one of the key existing urban green spaces that covers 25 dunums in the city center, and to enhance the park's ability to function appropriately during the daytime, evenings, and in all seasons. The pilot project will enable the regeneration and enhancement of the city central park, improving the capacity of this key green area, creating a revitalized urban space that better serves the citizens of Gaza City, and which plays a functional role within the cultural and commercial heart of the city for both residents and visitors, and which supports sustainable growth. The current parks suffer from the lack of basic services, it doesn't have public and sufficient bath rooms, sustainable power sources for night lighting, children zones and playgrounds, food courts, seats, sheds, lighting.

Development of Gaza City Center: the city center is the most active part of Gaza city. It is the hub of economic and institutional activities, and users from other cities are daily visiting the area. The concentration of activities and usages in the city center leads to emerging urban problems such as traffic congestion, air pollution, lack of open spaces, etc. That makes the development of the Gaza city center an urgent need to tackle the current challenges and optimize the potentials in the area. The development plan provides close attention to the city center users to satisfy their real needs and visions.

Supporting Gaza municipality through the **provision of equipment and goods** to strengthen capacities to plan for sustainable urban growth: Both Gaza technical team and ICUD team are working to refine what is needed and will share this with the WB soon:

The municipality seeks to enhance its capacity to plan for sustainable urban growth and enhancing the services delivery through the following activities:

1. Update the city spatial, development, and capital investment plans, facilitate urban management, and develop capacity for urban planning monitoring and review actions. This will be supported through the acquisition of precise aerial photo image and by upgrading the urban planning department infrastructure including IT/ICT functions associated with GIS activities.
2. Optimize city infrastructure management, planning, operation and maintenance. This will be supported through the implementation of integrated system optimization processes through the acquisition of a SCADA systems including mobile and centralized IT/ICT functions for:
 - Solid waste collection system optimization
 - Water and waste water operation and maintenance system optimization



Drafting the scope for the development spatial Plan will be start in Jan 2021, by customizing the scope the team work in drafting the scope of the Joint spatial strategic and Investment plans.

8.5 Anticipated Activities

Sub-component 1.1.

Structured Capacity Development Support for Urban Growth Planning

Milestone I.

Establish and Maintain Intra Urban Area Coordination Mechanism

Continuous meeting and consultation will be contoured, it is expected to achieve steps towards Coordination mechanism in 2021 by implementing the work plan that were drafted jointly between the team and the Institutional Development Adviser.

ICUD with the adviser's help will arrange the needed further consultation to insure the right dissemination of these option and works towards gradual implementation.

Starting by drafting the strategic framework and the Letter of intent that MOLG will send to the targeted LGUS within the Urban area.

Milestone II.

Complete Baseline Assessment of Existing Urban Extent

Urban data assessment Analysis report was prepared : the report includes Introduction, progress of Baseline assessment of the existing urban extent, status in each urban area, main data sources and main challenges.

The Four month Contact of the Assessment of IT-GIS Environment for the ICUD Urban Areas assignment will be signed and Lunched in 10 Jan 2021 as phase one for the Shared Data base development and the main output of this assignment will the TOR for the second phase which will be launched directly Q2 2021

Milestone III.

Complete Exercise to Develop Cost Analyzed Urban Growth Scenarios

ICUD team will start implanting the activities proposed in communication and dissemination plan for the UP-Tool in this year 2021 after discuss it with the WB. It set out communication tools and dissemination activities to increase the visibility of the UP-Tool and ensure it is integrated into the decision-making process in the internal environment of targeted urban areas. The plan's strategy was designed to effectively disseminate the collected knowledge in the preceding UP-Tool exercise using a tailor-made dissemination approach, which targeted a specified audience to communicate a customized message through a specialized tool.

A draft for a new Technical assessment –with the same consultant that work on this assignment- will be prepared in Q1 2021 to fill in the gaps in the needed capabilities of the local team in the UA s and to help in implementing parts of the dissemination plan in addition to do hands on training with the team in intergrade/ model the results of the new spatial and development plans.



Milestone IV

Modify Respective Member LGU's Plans Based On the Optimum Urban Growth Scenario

To follow up on the updated work plan 2021-2022, drafting and finalizing all the TORs Q1- Q2 2021

- JSSIP TOR: Joint Spatial Strategic and Investment Plan for the five targeted urban areas (the draft was shared with the World Bank).
- Green Neighborhood Guidelines TOR: the draft concept-note under preparation to be discussed and finalized with the WB to start the TOR drafting by Feb 2021.

Sub-component 1.2.

Demand-Driven Customized Support for Urban Growth Planning for the West Bank Urban Areas

The Following activities are anticipated according to the work plan:

- Following up the preparation of the Comprehensive Public Transportation Plan for Ramallah and Al Bireh Urban Area, extended to 28/2/2021
- Following up the preparation of SESA for the five targeted areas, extended to 28/2/2021
- Implementing phase 1 of the updated capacity building plan for all the project beneficiaries
- Following up the preparation of the Sustainable Tourism Development Plan for BUA, contact is anticipated to signed in early Feb 2021 after finalizing the last steps in the procurement.
- Launch the Procurement for the Sustainable Urban Growth Pilot Projects: Gaza, Hebron, Ramallah-Al-Bireh, and Nablus Urban Areas
- Draft TORs accruing the work plan and Launch the procurement process.

Sub-component 1.3.

Demand-Driven Customized Support for Urban Growth Planning for Gaza Urban Area

The Following activities are anticipated:

- Finalize drafting the needed TORs for the upcoming studies (City center...)
- Launch the procurement process for the above mentioned TORs.
- **finalize the scope for the development spatial Plan will be start in Jan 2021**, by customizing the scope the team work in drafting the scope of the Joint spatial strategic and Investment plans
- finalize the needed Supporting Gaza municipality through the **provision of equipment and goods** to strengthen capacities to plan for sustainable urban growth and start the purchase procedures
- Starting the implementation of some training courses (using local experts and travel when allowed)



8.6 Results Framework

Table 44: Target Vs Achievements of the Indicators

PDO: to enhance the capacity of participating urban areas to plan for sustainable urban growth								
PDO Indicator	Targets						Comments	Updates
Indicator 1: Number of urban areas that develop cost-analyzed scenarios for urban growth and disclose them to the public.	Original	FY1 0	FY2 0	FY3 3	FY4 5	FY5 ---	No revision for the indicator as well as for the target values	April 2020 - 5 urban areas developed cost analyzed urban growth scenarios and disclosed them to public.
	Revised	FYI 0	FY2 0	FY3 3	FY4 5	FY4 5		
Indicator 2: Number of urban areas whose member LGUs’ plans are aligned to the selected growth scenario at the urban area level.	Original	FY1 0	FY2 0	FY3 3	FY4 5	FY5 ---	The targets and the indicator will be revised as follows: “Number of plans that are produced based on the selected growth scenarios”	Oct - 2019: SAQ Extension + TP NUA + TP NUA (Done) The 3 plans are done Tourism Q1 2022 PT + 5 SESA ongoing till end Q1 2021 2021-2022: 5 SDF + (1-2 new sectoral) (planned)
	Revised	FYI 0	FY2 0	FY3 0	FY4 5	FY5 10		
Indicator 3:Direct project beneficiaries (Number)	Original	FY1-TBD	FY2-TBD	FY3-TBD	FY4-TBD	FY5----	No revision for the indicator, and the targets were identified.	April 2020 – 95
	Revised	FYI	FY2 75	FY3	FY4	FY5 120		
Indicator 4: Female beneficiaries (%)	Original	FY1-TBD	FY2-TBD	FY3 - TBD	FY4-TBD	FY5----	No revision for the indicator, and the targets were identified.	April 2020 – 40%
	Revised	FYI	FY2	FY3	FY4	FY5 25%		
Indicator 5: No. of indirect beneficiaries	Original	FY1-TBD	FY2-TBD	FY3 - TBD	FY4-TBD	FY5----	This indicator was added to the RFW	
	Revised	FYI	FY2	FY3	FY4	FY5 1,136,000		



Intermediate Indicator	Targets						Comments	Updates
Indicator 1: Number of participating urban areas that establish and actively maintain an intra-urban area coordination mechanism for the life of the project.	Original	FY1 3	FY2 4	FY3 4	FY4 4	FY5 ----	No revision for the indicator as well as for the target values	April 2020 – 4 intra-urban area coordination mechanism have been established
	Revised	FY1 3	FY2 4	FY3 4	FY4 4	FY5 4		
Indicator 2: Urban Growth Planning roadmap prepared for all participating urban areas (Yes/No)	Original	FY1 No	FY2 Yes	FY3 Yes	FY4 Yes	FY5 ----	The targets were revised as well as the indicator as follows: “# of person-days training conducted in planning related courses”	April 2020 - 1192 person-days training were conducted
	Revised	FY1 370	FY2 370	FY3 370	FY4 370	FY5 750		
Indicator 3: Number of urban areas that completed baseline assessments of existing urban extent	Original	FY1 0	FY2 3	FY3 5	FY4 5	FY5 ----	This indicator was rephrased with a revision of the targets as follows: “No. of urban areas that completed baseline assessment ”	Yes – Continuous
	Revised	FY1 0	FY2 0	FY3 3	FY4 5	FY5 5		



8.7 Obstacles and Challenges

- Since March 2020, COVID-19 pandemic emergency puts its shadows on many Project activities, working with targeted LGUs becomes challenging because of the frequent look down and restriction on movement which interrupt the work of the municipalities and overwhelmed them with services for emergency and sanitation, in addition to restriction for both internal and external international flights.
Ongoing and future activities is inevitably be impacted by the COVID-19 crisis
- **LGUs capacities vary specifically in planning issues including urban analysis and integrated planning among others. In a substantial number of LGUs, there is an absence of planners among the LGU technical teams which makes conveying concepts of sustainable urban growth, smart cities, compact development, etc., slightly challenging.**
- Lack of urban data and analysis (in some cases, even the basic analysis) at the majority of LGUs met during the "data availability assessment phase" which may affect the development of the urban growth scenario exercise. Moreover, there are big gaps among the LGUs of the same urban area in terms of GIS availability and capacity, and terms of data accuracy and quality. In the phase of the data collection process, there is a delay in providing available data either from the LGUs or other sources.
- The availability of Urban Data at the level of LGUs is very limited, especially in the village councils, and all Urban Data at the street/neighborhood level is not available and much information recovered through estimations
- Delay on implementing the concept of shared GIS database due to many issues was raised related to lack of availability of GIS and IT staff among the LGUs and the need to get a commitment from the management of the municipality for the planning process and to establish a GIS team within the municipality.
- Competitiveness between the different municipalities is high under the big municipalities, notability over other smaller ones and of course, and the village councils surrounding them. Within these circumstances, this can be problematic making them all meet and work together on the same level.
- **Delay in project activities (due to the time needed for the MOLG & WB producers) showed mistrust of municipality technical teams and mayors and diminished the project importance.**
- The concept of urban growth is new in the Palestinian areas, often not well understood even after launching the activity.
- Many issues were raised related to sustaining cooperation among the UCs, and the ownership of the JCUs that were established and the outputs of the exercise.
 - There must be further work on the cooperation culture itself, and the empowerment of JCUs and LCs.
 - Emphasis on building the capacity of the beneficiaries including technical teams and coordinators in sustainable urban growth.
 - MDLF and its current work on the allocation of some funds for joint projects as incentives must be empowered.
 - The support of the institutionalization of JCUs, on phases based on roadmaps for each UC. The first milestone could be detailed bylaw with the needed organizational structure that elaborates more on the responsibilities, and other institutional issues.



- Some LGUs have no department of planning, establishing planning departments should be taken in consideration in some LGUs in parallel with the institutionalization process, this is very important to LGUs to participate actively in the joint units.
- The resignation of the Bethlehem local coordinator, which kept the urban area slightly behind in keeping up with the required activities, especially for sub-component 1.2. The ICUD Core team covered most of the needed activities with direct support from the MOLG Bethlehem office coordinator.





9. Multi-site Regeneration Project for Jericho

9.1 Project Overview

The "Multi-site Regeneration Project for Jericho, Palestine", is currently implemented as part of the technical assistance program by the French Development Agency (AFD), with funding from the European Union -the funds of the Investment Facility for the Neighborhoods (IVF), and in conjunction with partners from the UPFI initiative "Urban Projects Finance Initiative".

The MSR Jericho Project aims at enhancing the economic development of the city through the process of "re localization and rehabilitation" of key infrastructures. The project which was prepared under the Urban Project Finance Initiative (UPFI), promotes an integrated urban approach to optimize public land management, to upgrade key infrastructures, and to strengthen the management capacities of the municipality related to the enforcement of national health policies and to improve its financial accountability. The rehabilitated infrastructures are the slaughterhouse, the Spanish Garden, and the Municipal garage, all of which shall contribute to supporting the main city's economic activities (tourism and farming).

9.2 Project Description

The fund of MSR Jericho is 6.2 million Euro out of 10.2 million Euro of fund granted to MDLF for MDP III and MSR Jericho project according to the financial agreement signed between AFD and Ministry of Finance on April 26th, 2017.

The project Agreement between MDLF and Ministry of Finance was signed on August 7th, 2017, followed by a Grant Implementation Agreement with Jericho Municipality which was signed on November 16th, 2017. The project Agreement between MDLF and Jericho Municipality was signed on November 16th, 2017.

The project Operation Manual was prepared by MDLF, containing technical, financial, procurement and monitoring and evaluation of the project.

MDLF is responsible for managing the project with a team that includes a project coordinator, a technical expert, a financial expert, a procurement expert, and an environmental and social specialist.

Furthermore, Jericho municipality has assigned a project coordinator to be part of the project committee to ensure the facilitation of proper implementation of all activities and part of the Project committee.

The project includes the following subcomponent:

- **Subcomponent (a): Slaughterhouse**

This component includes the construction of new slaughterhouse and remediation works for the old slaughterhouse. The new slaughterhouse is aimed at providing efficient, professional, hygienic and humane slaughtering service at a competitive price for farmers, butchers, and other customers in Jericho and adjacent Palestinian towns and communities. It is aimed that this would be achieved without creating adverse environmental or social hazards. The project will include two major buildings: one for slaughtering cattle such as sheep and goats and the other for slaughtering poultry. Office accommodation will also be provided within the envelope of the largest building, used for cattle (sheep/goats), in addition to supplying the Equipment for the Cattle Slaughterhouse and Supplying of Equipment for the Poultry Slaughterhouse.

For operating the slaughterhouse, a Slaughterhouse Steering Committee (SSC) will be assigned by the municipality to supervise and advise both partners. It will be composed of representatives



from the municipality, the private operator, but also from butchers and farmers, as well as from the Public Health Committee, whose exact role will be detailed in a lease agreement. Remediation works at the old slaughterhouse will commence as soon the new slaughterhouse handed over and operation started.

▪ Subcomponent (b) Municipal Garage

This component includes the construction of a new garage and remediation works for the old garage.

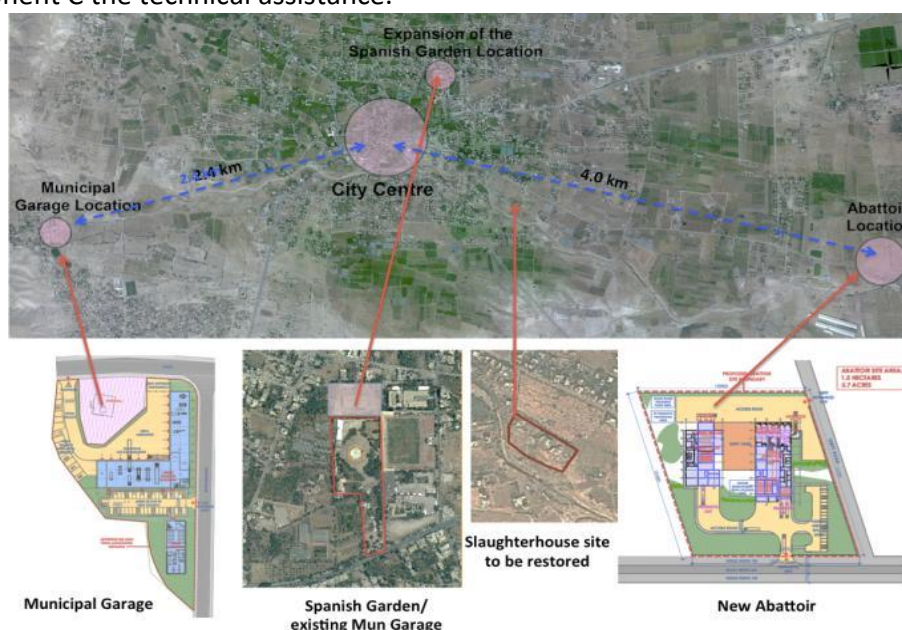
The main garage will be an L-shaped single-story, large-span building (approximately 1,710 m² in area). A new one-story amenities building (approximately 437m²) is positioned on the south side of the site. It contains a canteen, changing/washrooms, and office accommodation. External areas include car parking, yard space, planting, and access roads.

- Rehabilitation of the Municipal Garage road (under MDPIIICI) Rehabilitation and asphaltting of the main road that leads to the Garage 2 km length with avg. width of 5.5. The final amount of the works 198188 Euro .
- Extension of the Spanish Garden (under MDP IIICII): The extension of the Garden onto the lands currently occupied by the Municipal Garage, the MSR project offers the opportunity to enhance substantially the role of the Spanish Garden as a place of leisure in the heart of the City.

▪ Subcomponent c: Technical Assistance

This component includes a technical assistance program, which includes the supervision of work and management fees to MDLF, in addition to training and capacity building to support the implementation of the municipal action plan on mitigating illegal slaughtering processes.

MDLF will support Jericho Municipality in implementing designated activities defined under subcomponent C the technical assistance.



MSR Jericho Project Components, (Final Report INTA, CEP, 2016)



9.3 Implementation Status and Upcoming Action

This section highlights the project's technical progress until the end of Dec.2021. Noting that all the parties; MDLF, Jericho Municipality, and the donor are aware of the challenges and has worked together to overcome all issues through discussions:

9.3.1 Progress of Main Contracts

9.3.1.1 Slaughterhouse Construction

The concept design has been based on the consultant revision of the slaughtering capacities where:

- The capacities over 20 years design period are:

Livestock/Slaughtering Capacity	Capacity (Animal/week)
Poultry	15,000 (500 bird/hour)
Cattle	35
Sheep	150

- This capacity has based on projecting the slaughtering demand according to the served citizens, in addition to taking into account the market share, market competence, and awareness of illegal slaughtering.
- The additional risk factor was taken to propose the potential expansion of the Cold Rooms and the Operation Hours of the Slaughterhouse facility to overcome the low risk of overcapacity.
- Jericho Slaughterhouse will be designed and constructed on leased land of size 19,000 m², using 4,000 m² located in the southeast of Jericho City. The Concept design proposed two buildings to a total area of approximately 2200 m², besides, parking area, Holding Pens, and Landscaping. For Infrastructure facilities: the project includes a Wastewater treatment plant, blood treatment, Incinerator, potable water connection pipe, wastewater disposal pipe, and other facilities.
- The project bids were evaluated and have not yet awarded. It will be subject to retendering as the lowest bidders are not responsive to bids. The scope of work will be revisited and reduced to fit with the available budget.



Pre-bid meeting site visit 4th Jun.2020

9.3.1.2 Municipal Garage Construction

- Initial Contract Amount: 1,283,690 Euro
- Commencement Date: July 22nd, 2018
- The Second Contract Amendment: 1,453,971.33 Euro
- The First Extension was to April 22th, 2019.
- Second Extension end date: June 25th, 2019
- The project has been initially handed over on September 11th, 2019, Final handing over took place on November 13th, 2019.
- The project has been implemented over 14 months, with various delays due to challenges in transferring the high voltage electricity cable as well as the contractor slow progress in construction.



The Municipal Garage



The Municipal Garage



- **Rehabilitation of the Municipal Garage road (under MDPIICI)**

The rehabilitation and asphaltting of the main road leading to the Garage in a total length (2 km) was completed with a total amount EUR 198,188.



Municipal Garage road

- **HV Cable Relocation sub-component:**

MDLF and Jericho Municipality have allocated 51,287 Euro from MDP III Cycle 1 to recruit JEDCO to construct the electricity service network feeding the Municipal Garage facility, although the contract was signed early January 2019, the project was commenced in April 2019 and the connection was accomplished on June 30, 2019. The delay in this sub-component affected the work status at the Municipal Garage Construction.

- **Environmental and Social Monitoring during construction stage:**

The contractor prepared a safety plan at the earliest stage of the project; it's been reviewed and approved.

Environmental and social compliance is monitored regularly and reported in monthly progress reports noting that the contractor abided and complied with the project ESMP and safety plan expect of certain incidents where environmental notes were issued.

Where the contractor complied with occupational health and environmental control measures on site where adequate sanitary facilities, first aid kit, adequate water supply, proper closure of the site, presence of approved dumping site and proper disposal of waste, proper PPE, proper fall protection, regular control of dust, regular working hours were followed during the construction period.

Socially; the municipality conducted a consultation meeting with neighbors before the commencement of works where proper mitigation measures and working hours were discussed with neighbors.

Although, a few days after commencement the project has been stopped for a few days following to receiving verbal complaints of no. of citizens who claimed to use dirt road passing the western part of the site. Jericho municipality has conducted consultation meetings with affected persons and agreed to exclude that part of the project and maintain temporary access for those complainants. Supplementary safety measures to the new boundary were set.



Another issue of relocating honey boxes that were recently placed at the site has been verbally raised. The municipality consulted the owner and agreed to place the boxes out of the site.

9.3.1.3 Old Municipal Garage Remediation (Renamed to Extension of Spanish garden and Remediation of the Old Garage)

- Old Municipal Garage Remediation funding was agreed to be allocated through MDP III Cycle 1 rather than the Project.
- On the other hand, due to the progress delay, this component had been integrated into the Spanish Garden Extension Project that was agreed to be financed through MDP III Cycle 2, this decision was made to ensure defining correct and strict remediation actions related to the Spanish Garden extension components.
- The Spanish Garden Extension Terms of reference had been revised to include scope for remediation works (revision of the lab test results, demolition requirements, dismantling and disposal of asbestos conditions, potential impacts coming up from the new design, etc...).
- The project is expected to commence in the mid of 2021.

9.3.2 Work supervision and Environmental and Social Monitoring

- Progress on Contract Management:
 - The contract was signed March 25th, 2018 with an amount: 250,583 Euro.
 - First Amendment to include the additional scope of works with regards to the Slaughterhouse Construction component was signed on January 3rd, 2019 with an amended contract value of EUR 270,064.
 - The second Amendment included an additional scope of works to provide an additional scope of work to the Slaughterhouse Construction component. The amendment was signed on July 11th, 2019 with a contract value of EUR 329,689.
- As the Slaughterhouse Construction Projects are expected to commence in February 2020, the expected end of the contract date for supervision would be October 21st, 2021 instead of January 2nd, 2020. Where (6 months' duration for Municipal Garage and 18 months' duration for the slaughterhouse construction, in addition to 2 months for the remediation of the old slaughterhouse site).



- The consultant has finalized supervision for the Municipal Garage Construction
- The consultant has prepared Concept Design and draft bidding documents for Design Supply and Install the Slaughterhouse. Details of progress are included in the Slaughterhouse Construction section.

9.3.3 Jericho Municipality Components

- The Municipality inaugurated the Garage in an official ceremony. Accompanied to finalizing the transfer of all departments to the new garage, where stores have already been transferred and operated. Full operation is expected by the end of February.
- The Municipality will work closely with MDLF to update the Auction document, updating the awareness plan and other future collaboration to operate and raise the capacity of the municipality to efficiently operated the Slaughterhouse.



9.4 Mitigation Measures for Fund Allocation

- The project components of the construction of Municipal Garage and the Construction of Slaughterhouse faced a delay in different stages, in addition to a deficit of financial availability, however, all these issues have been solved after proposing the new Slaughterhouse Construction Method. In addition to what measure been taken at the early stages by reducing the scope of work at the Municipal Garage Construction Project, using MDP III cycle 1 allocation for relocating the HV cable, and the rehabilitation of the access road to the New Municipal garage.
- The remediation of the old Municipal Garage site will be financed through the integration of remaining funds from MDP III cycle 1 with MDP III cycle 2 allocations to ensure proper integration for remediation and design of the extension of the Spanish Garden.
- Financing the Electricity Connection to serve the Slaughterhouse will be financed through the project.
- The rehabilitation of the Internal Roads to access the Municipal Garage is approved to be financed through MDP III Cycle 1.



9.5 Challenges and Obstacles

- The project components of the construction of Municipal Garage and the Construction of Slaughterhouse faced a major delay due to the lack of information regarding water, wastewater, and electricity service connections. Further to the delay in providing the required utility components design. Afterward; a major issue was the deficit of funding to implement those utilities as hasn't been encountered in project proposal at the start. To overcome the financial issue, MDLF proposed a financial methodology correlating potential capability and utilization of MDPIII cycle 1 allocation, this proposal was discussed with Jericho Municipality and the AFD as follows:
- The proposal states that the municipality is to finance the remediation of the old Municipal Garage site.
- MDPIII Cycle 1 allocation will be utilized to:
 - Finance the electrical connections for the Municipal Garage.
 - Finance connection of electrical connection to serve Slaughterhouse project in case deficit of fund after the Slaughterhouse Construction bid opening
 - Finance the water connection for the Slaughterhouse project in case the deficit of fund after the Slaughterhouse Construction bid opening.
- The project components of the construction of Municipal Garage and the Construction of Slaughterhouse faced a delay in different stages, in addition to a deficit of financial availability, however, all these issues have been solved after proposing the new Slaughterhouse Construction Method. In addition to what measure been taken at the early stages by reducing the scope of work at the Municipal Garage Construction Project, using MDP III cycle 1 allocation for relocating the HV cable, and the rehabilitation of the access road to the New Municipal garage.
- The remediation of the old Municipal Garage site will be financed through the integration of remaining funds from MDP III cycle 1 with MDP III cycle 2 allocations to ensure proper integration for remediation and design of the extension of the Spanish Garden.
- Upon agreement; the Extension of the Spanish Garden was agreed to be shifted to MDPIII cycle2.
- An additional challenge was the delay in finalizing the auction documents at Jericho Municipality, which was supposed to have been launched prior to the commencement of works at the Slaughterhouse Construction Project, for that reason, the Municipality has been advised to dedicate its teams to finalize it during early August of 2018.
- Due to the delay in implementing activities, it was recommended that the project agreement to be extended in order to cope with the project timeframe.



10. Local Government Services Improvement Project (LGSIP)

10.1 Introduction

The Palestinian Authority made a strategic choice to reform key areas of its Village Support Program, focusing on institutional strengthening and reforming the financing mechanism to improve services delivery in villages. With support from the World Bank and other Development Partners, the PA developed the Local Government and Services Improvement Program (LGSIP) to respond to the institutional and financial challenges that VCs face. The LGSIP focusses attention on VCs' service delivery responsibilities and provides technical, institutional and financial support to VCs through combining PA budgetary support and specific Technical Assistance (TA) and investment support by Development Partners "DPs".

The LGSIP channels budgetary resources, including the Transportation Fee, and earmarked subsidies to the MoLG for infrastructure development in villages. An integral element of this approach is the PA's intention to reform the local government financing system, through a reform of the Transportation Fee allocation and disbursement mechanism.

LGSIP will assist the PA in establishing a systematic approach for strengthening the institutional systems for viable local authorities that can provide services to their citizens responsibly and can be financially sustainable in the future.

10.2 LGSIP Description

The development objective of LGSIP is to strengthen the local government financing system and improve local service delivery in program villages. The program builds upon the PA's Village Support Program objective of enhancing local accountability through improving stakeholder participation and strengthening of institutional systems and processes for citizen engagement. The program introduces the allocation of transparent and predictable fiscal transfers to VCs to finance implementation of participatory capital investment plans. The program will also strengthen local accountability through enhanced reporting to citizens and strengthened the grievance process.

The LGSIP comprises delivering infrastructure at the village level through combining investment support in the 241 VCs with specific support to the investment requirements in "Area C", coupled with implementation arrangements to address VC capacity constraints. The LGSIP has a five-year duration from 2016 to 2020 and comprises the following components:

- (i) Annual capital grants for the delivery of Local Services: Provides local services through village councils, through allocating certain amounts of funds based on the population of each village council which, deemed eligible. The allocated amounts are then used to implement projects in the village councils as per priorities stated in the development plans of these villages.
- (ii) Conditional Capital Grants for investment in Joint Projects: Provides infrastructure through joint projects, this is achieved by offering funds/grants conditional to implementing joint projects between various village councils.
- (iii) Capacity Support for strengthening Local Governance Institutions: This component aimed at enhancing the capacities and provide more targeted capacity support to VCs and JSCs in line with their key roles and responsibilities making them eligible for funding; also, to raise the capacity of the MoLG staff to enable them to carry out their tasks accordingly.
- (iv) Investments in "Area C", which is financed through Program Parallel financing.



10.3 Program Financing

The Palestinian Authority (PA) received a grant from the World Bank in the amount of US\$5 million towards the LGSIP, channelled through the Government systems, using the World Bank Program for Results (PforR) financing instrument. Additional Program commitments to be co-financed using the PforR instrument amount to US\$15 million, including *US\$13 million financed by the Government of Sweden through the Multi-Donor Trust Fund-Program for Infrastructure Development (MDTF-PID), administered through the World Bank, and a US\$ 2 million equivalent commitment from the PA*. In addition to these amounts, a total of EUR 8 M will be funded by the KFW particularly to support the 2nd component of the program, namely the joint projects through the MDLF as shown in Table 45 below.

Table 45: LGSIP Financing per Donor

Source	Modality	Amount
PA	Co-financing	\$ 2 M
World Bank	PforR	\$ 5 M
PID MDTF	Co-financing (PforR)	\$ 13 M
KFW	Parallel Financing	EUR 8 M

10.4 Program Management

The Ministry of Local Government and the Municipal Development and Lending Fund are responsible for administer the implementation of the program. To achieve this, a committee, headed by the Ministry of Local Government with the Municipal Development and Lending Fund and the Ministry of Finance as members, was formed to oversee the implementation of the program.

The Ministry of Local Government (MoLG) will be responsible for the overall oversight of the implementation of Program sub-Activities I and III, while MDLF will be responsible for the overall management of Program Sub-Activities II and IV. MDLF is also responsible for carrying out Program Management activities in its capacity as the Program Secretariat bearing the responsibility to develop the needed reports to the funding parties.

10.5 Grants Allocations Mechanism

- Upon meeting the LGSIP eligibility criteria, capital investment grants would be allocated based on a simple per capita formula. The eligibility assessment will be done by MoLG on an annual basis, verified by the (Independent Verification Agent) IVA.
- Grant allocations per VCs will then be calculated by the MDLF, as the Program Secretariat performing the Program management function. Grants would be allocated annually based on the recurrent annual cycle.
- For joint projects financed by Conditional Capital Grants, additional funding would be provided as a 'top-up' capital grant, determined by the sum of pooled individual allocations of participating VCs multiplied with an incentive factor of 9.
- Individual allocations would be small but provide a predictable annual grant allocation to VCs. Per capita allocations under the annual capital, grants are designed to match at minimum the current Transportation Fee allocation of around NIS25.00 (US\$6.5 equivalent) to provide a meaningful source of timely and predictable revenues and to serve as an incentive for reform. At appraisal, the amount was agreed to be US\$9.0 per capita.



10.6 Disbursement Linked Indicators

The LGSIP would use the PforR financing instrument to leverage financial incentives to achieve results and mainstream reforms into the PA systems. The PforR would help support system changes across the program by leveraging the actions contained in the Program Action Plan (PAP) and Disbursement Linked Indicators (DLIs) to trigger positive responses on needed reforms in the sector. Program funds will be released based on the attainment of results, instead of as inputs to achieve results. This shift would achieve mainstreaming of critical reform initiatives into the formal PA systems, which has not always been possible with a traditional Investment Project Financing approach

The DLIs have been selected according to the Program's incremental result chain so critical results can be achieved during the early stage of the Program for building incremental results to reach the PDO

A. Results linked to the signing of the agreements (pre-results):

- Enabling steps to strengthen local governance adopted by MoLG: (i) Standardized governance framework for joint service provision; (ii) Formula for annual capital grant allocations finalized; and (iii) Local Government Procurement Instructions.

B. Results linked to the implementation of a program:

- Timely communication and disbursement of Formula-based Annual Capital Grant allocations to VCs
- Percentage of VCs meeting LGSIP eligibility criteria annually
- Cumulative number of joint projects approved
- Aggregated expenditure (percentage) of approved joint projects
- Steps to improve transparency and predictability of Transportation Fee adopted by MoLG: (i) transportation fee reform directive submitted for approval to Cabinet of Ministers; and (ii) share of transportation fee disbursed annually to VCs on a per capita basis and on time
- Capacity Building Activities delivered by MoLG based on their annual capacity Development Plan.

10.7 Implementation Status

10.7.1 Progress at the General Framework Level

- The LGSIP agreement was signed with the World Bank on March 14th, 2016 for USD 5M. On April 11th, 2016, the project was launched at the government level. Since then, work on necessary preparations was commenced, which makes it possible to obtain the necessary financing through achieving results, since the program is results-based.
- The Allocation of funds' formula was adopted for individual and joint projects, more specifically:
 - o The value of the annual financial allocation per village = population according to the PCBS * 9 USD
 - o The value of the joint project = value allocated fund to the village council * 9 times
- The report was prepared by the General Secretariat of the Council of Ministers (verification agency) indicating that the MoLG has made the first of two results of the



program, and the 1st advanced payment totalling **1 million dollars** was transferred to MOLG accordingly. These results are:

- Adopting the allocations formula
- Amending the JSCs law
- The program was launched at the level of village councils through a workshop held on October 25th, 2016, under the patronage of H.E. the Deputy of MoLG, and the general director of Municipal Development and Lending Fund. The workshop introduced the idea of the project and actions associated with it, the roles of each ministry and the MDLF, and the requirements for qualifications; also, how to prepare development plans, financial management and budgeting.
- On June 28th, 2016, the general procurement law was passed by the ministerial council, coming into force starting on July 1st, 2016.
- The head of the Higher Council for the Public Procurement Policies (HCPPP) was contacted for this specific law. The information and instructions were issued through the MoLG on December 14th, 2016, to the Local Government directorates, which in return circulated the information to the village councils at their own governorates.
- Seven Orientation sessions for the benefit of all VCs, JSCs, & MOLG staff were conducted from Feb 12nd until March 7th, 2017. (this was done in cooperation with the World Bank).
- The Bidding documents were prepared and submitted to the eligible VCs.
- The Independent Verification Agent was contracted by MDLF in October 2016, to conduct the verification on the DLIs achievements under the target indicators indicated in the LGSIP-PAD. The IVA used the following approach to conclude the findings:
 - Document and literature review
 - Semi-structured Key Informant Interviews and
 - Validation-Verification Assessment
- The IVA submitted the 5 verification reports which were shared with the WB and the program committee as per the following:

Table 46: IVA Reports

	DLR Subject to Verification	Conclusion
IVA Report # 1	- (DLR 1.2: MoLG Issued Procurement Instructions for LGUs to follow in procuring local services) - (DLR 7.1: Five Year Capacity Development Plan prepared). The IVA confirmed the achievement of both DLRs	- \$ 1,000,000 was transferred to MOLG through MOFP upon the achievements of the DLRs.
IVA Report # 2	- DLR#2.1: Communication of the ACIG allocation to VCs by January 15, 2017. - DLR#2.2 Communication of the ACIG allocation to VCs by January 15, 2018. - DLR#3.1: 50% of Program eligibility criteria met by Jan 15, 2017 (30% achieved). - DLR#3.2: 60% of Program eligibility criteria met by Jan 15, 2018 (53% achieved). - DLR#7.2: Annual Capacity Development Plan for the year 2017 executed.	- \$ 3,677,500 was transferred to MOLG through MOFP upon the achievements of the DLRs.



	DLR Subject to Verification	Conclusion
IVA Report # 3	- DLR #4.2 10 (accumulative) joint projects approved for the year 2018.	- \$ 1,333,333 was transferred to MOLG through MOLG upon the achievement of the DLRs.
IVA Report #4	- DLR#2.3 Communication of the ACIG allocation to VCs by January 15, 2019. - DLR#3.3: at least 50% of VCs, maximum of 70% of Program eligibility criteria met by Jan 15, 2019. - DLR #4.3: 14 joint projects approved. - DLR #6.1: The Recipient submitted its Transportation Fee reform directive to its Cabinet of Ministers for approval. - DLR#7.3: Annual Capacity Development Plan for year 2018 executed	- \$ 4,594,583 was transferred to MOLG through MOLG upon the achievement of the DLRs.
IVA Report #5	- DLR#2.4 Communication of the ACIG allocation to VCs by January 15, 2020 - DLR#3.4: at least 60% of VCs, maximum of 70% of Program eligibility criteria met by Jan 15, 2020 - DLR #4.4: 18 joint projects approved - DLR 6.2: At least 25% of annual allocation of TF to VCs is disbursed using the criteria set out in the Program Operations Manual. - DLR 7.4: Annual Capacity Development Plan executed. (FY 19)	- \$ 4,894,583 has been transferred to MOLG through MOLG upon the achievement of the DLRs.
IVA Report #6	Aggregated expenditure percentage of approved Joint - DLR #5.3: 50% of the aggregated expenditure disbursed.	- \$ 1,500,000 has been transferred to MOLG through MOLG upon the achievement of the DLRs.



10.7.2 Progress Per Component

10.7.2.1 : Annual capital grants for the delivery of Local Services

1 st round annual grants to VCs (2016-2017)
- All of the involved villages carried out meetings, and steps agreed upon under the clauses of simplified procedures for the preparation of the annual development plans. The presence of previous experience in the field of planning helped achieve these results, as well as the assistance of consultants and volunteers on the ground that facilitated these meetings. - All of the plans were received except for two villages in Jerusalem governorate. - All received development plans were publicly disclosed through one or two methods, namely: (i) The gateway/website to the local government units: <i>baladiyat.ps</i>, a total of 63. (ii) Through social networking pages for the village councils. - All budgets totalling 63, were disclosed through the <i>baladiyat.ps</i> website. Noting that it will be published through the program of public administration for budgeting, following the completion of approvals from the MoLG. - The list of 61 eligible VCs was approved by the project committee. - The total estimated value of the projects listed for the year 2017 through LGSIP was 1.684M USD, where the contribution from the village councils would be to cover the difference between the allocated amount and the estimated cost. - The value of financial allocations for the eligible 61 village councils is US\$ 1,541,682 where the projects implementation status is described as follows: • 14 Large VCs out of 61 eligible VCs with a total allocation of US\$ 661,482. • 14 small VCs out of 61 eligible VCs – members of qualified JSCs – with a total allocation US\$ 234,239. • 33 small VCs out of 61 VCs are eligible and not members of a qualified JSC, thus they signed agreements with the nearest Municipality or eligible large VC (the sum of their allocations is \$ 645,961). - In terms of implementation status, out of 61 VCs, 27 VCs completed their projects in (2017) and 34 VCs merged their 1st round allocation with the 2nd round allocation to be implemented in (2018-2019). All the projects were completed.
2 nd round annual grants to VCs (2017-2018)
- All of the involved villages carried out all field activities, meetings and steps agreed upon under the clauses of simplified procedures for the preparation of the annual development plans. The presence of previous experience in the field of planning helped achieve these results, as well as the assistance of consultants and volunteers on the ground that facilitated these meetings. - All of the plans were prepared and disclosed on time. - All received development plans were publicly disclosed through one or two methods, namely: (i) The gateway/website to the local government units: <i>baladiyat.ps</i>, a total of 139. (ii) Through social networking pages for the village councils. - All budgets submitted, totaling 139, were disclosed through the <i>baladiyat.ps</i> website. Note that it will be published through the program of public administration for budgeting, following the completion of approvals from the MoLG. - Meetings were conducted with the mobilizers and Planning Department to clarify the procedures for preparing the ACIP and communication mechanism (Planning Department, District Offices, Program Coordinator). In the current cycle, the arrangement became more institutionalized at the district level. - In each governorate, launching meeting was conducted under the supervision of MOLG district office. - The list of 139 eligible VCs was approved by the project committee out of which 17 VCs are located in Area C, meaning that only 122 VCs will be targeted by the 1st component of the project. - In terms of the annual grants to the eligible VCs, a total of US\$ 3,296,889 targeting 122 eligible VCs. Out of which: • 37 large VCs with a total allocation of US\$ 1,721,484. • 33 small VCs-members of qualified JSCs- with a total allocation of US\$ 600,534. • 52 small VCs – members of unqualified JSC- with a total allocation of US\$ 974,871. - In terms of implementation status, 117 projects out of 122 were completed and 5 projects are ongoing.



3rd round annual grants to VCs (2018-2019)
- All of the involved villages carried out all field activities, meetings and steps agreed upon under the clauses of simplified procedures for the preparation of the annual development plans. The presence of previous experience in the field of planning helped achieve these results, as well as the assistance of consultants and volunteers on the ground that facilitated these meetings. - All of the plans were prepared and disclosed on time. - All received development plans were publicly disclosed through one or two methods, namely: (i) The gateway/website to the local government units: <i>baladiyat.ps</i>, a total of 204. (ii) Through social networking pages for the village councils. - All budgets submitted, totaling 204, were disclosed through the MOLG website. Note that it will be published through the program of public administration for budgeting, following the completion of approvals from the MoLG. - Meetings were conducted with the mobilizers and Planning Department to clarify the procedures for preparing the ACIP and communication mechanism (Planning Department, District Offices, Program Coordinator). In the current cycle, the arrangement became more institutionalized at the district level. - In each governorate, launching meeting was conducted under the supervision of MOLG district office. - The list of 204 eligible VCs was approved by the project committee out of which 31 VCs are located in Area C, meaning that only 173 VCs will be targeted by the 1st component of the project. - In terms of the annual grants to the eligible VCs, a total of Million US\$ 4,275,351 targeting 173 eligible VCs. Out of which: • 35 large VCs with a total allocation of Million US\$ 1,665,063. • 138 small VCs with a total allocation of Million US\$ 2,610,288. - In terms of implementation status, 142 eligible VC started the implementation phase in year 2019, and 31 VCs decided to postpone their projects until receiving the last cycle allocation FY 2020. - More focus on the VCs who initiated the procurement process, out of 173 VCs, 141 projects were completed, 29 projects are ongoing and 3 projects in 3 VCs are still under bids evaluation.
4 th round annual grants to VCs (2019-2020)
- All of the involved villages carried out meetings, and steps agreed upon under the clauses of simplified procedures for the preparation of the annual development plans. The presence of previous experience in the field of planning helped achieve these results, as well as the assistance of consultants and volunteers on the ground that facilitated these meetings. - All of the plans were received. - All received development plans were publicly disclosed through one or two methods, namely: (i) The gateway/website to the local government units: <i>baladiyat.ps</i>, a total of 204. (ii) Through social networking pages for the village councils. - All budgets totalling 204, were disclosed through the MOLG website. Noting that it will be published through the program of public administration for budgeting, following the completion of approvals from the MoLG. - The list of 204 eligible VCs was approved by the project committee by Dec 12, 2019. - The Allocation value of the projects listed for the year 2020 through LGSIP was US\$ 4,301,280M, where the contribution from the village councils would be to cover the difference between the allocated amount and the estimated cost. - The value of financial allocations for the eligible 204 village councils is distributed as follows: • 34 Large VCs out of 204 eligible VCs with a total allocation of US\$ 1,613,907. • 170 small VCs out of 204 eligible VCs with a total allocation US\$ 2,687,373. • 88 small VCs out of 204 VCs are eligible and not members of a qualified JSC, thus they signed agreements with the nearest Municipality or eligible large VC - In terms of implementation status, out of 204 VCs, 178 VCs are preparing their projects profiles and initiated the process of preparing bidding documents. - More focus on the VCs projects status, out of 178 projects, 58 were completed, 104 are ongoing and 16 are still under bid evaluation. - Due to Covid 19 pandemic, the implementation is subject to noticeable delays thus a one year extension was already coordinated with the WB to overcome the delays and to ensure the successful completion of the projects. - After coordinating with the WB, the programme committee issued the approval for 10 eligible VCs to use 25% of the allocation Fy 2020 for emergency expenditures. (See table 4 below)



Table 47: Type of the recurrent expenditures for West Bank VCs

No.	Item Category	Details
1.	Cleaning and maintaining public facilities and assets	- Maintaining public facilities e.g road maintenance. - Maintaining of water and electricity utilities related to the provision of municipal services
2.	Maintaining public health services	- water purification materials (Chemicals for water purification) - supplying potable water through tankers to help sustain hygienic conditions to combat the disease. - Pesticides, disinfectants, Chemicalsto fight mosquito and rodents and agricultural pests, PPE.
3.	Collection of Solid Waste	- Primary solid waste collection cost (hiring of labor by using donkey carts/using hand carts). - Secondary solid waste collection through contracting private companies to transfer solid waste from the transfer stations/large containers (roll on/off) to the main landfill.
4.	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal	- Payments against the solid waste service provided by the public entity on a regular basis.
5.	Joint Service councils' fees	- Payments against municipal services provided by the service councils (using wheel loaders, trucks, waste water vehicles....etc.).
6.	Other Solid Waste Services	- Maintenance of solid waste containers. - PPE and cleaning tools
7.	carrying out laboratory tests	- Laboratory test during design of streets/public facilities. - Laboratory test of the quality of water and wastewater.
8.	Maintaining and operating municipal service vehicles, Equipment and generators	- Oil for service vehicles including the administration's vehicles. - Oil for Water and wastewater Facilities and the Administration (to operate the Stade by Generators). - Vehicles and Electricity Generators spare parts including wells tires and Batteries as well. - Equipment spare parts - Vehicle and workers insurance. - Electro-mechanical Maintenance contracts for Water and Waste Water Facilities Spare parts
9.	Maintaining electromechanical and IT equipment	
10.	Materials for municipality workshop	- Small to medium size tools for municipal services maintenance regular activities
11.	office supplies	
12.	Materials and tools for safety	- PPE clothes and shoes for workers
13.	Public awareness, outreach, communication, and advertisements	- public awareness related to increasing municipal revenues; the cost of communications; renting service vehicles. - carrying out advertisements under the Procurement Plan, regarding the procurement of goods and works;
14.	Fees of wastewater collection and treatment	- Fees of wastewater collection and treatment into identified wastewater treatment plants
15.	provision of equipment, materials and supplies to combat the spread of the COVID-19 virus	- PPE, Disinfection materials, etc.
16.	All directly related to the provision of essential municipal services	e.g. 1. Telecommunications & internet costs and fees, 2. General insurance 3. contract private companies to sterilizing public building.

Table 48: Name & allocation of the VCs requested recurrent expenditures



#	Governorate name	VC Name	Total Allocation\$	25% for Corona\$	Expenditure Feature
1	Nablus	Salem	56,988	14,247	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
2		KuforQallil	27,549	6,887	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
3		Osarin	18,675	4,668	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
4		Talfeet	32,661	8,165	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
5		Jaloud	6,759	1,689	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
6	Salfit	Qira	11,673	1,000	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
7	Beit Lahem	Khallet Haddad	4,626	1,156	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
8		Marah Rabah	15,759	3,939	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
9		Wad Fukin	12,231	3,057	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
10	Hebron	KhalletAlMaeh	62,721	15,680	Solid waste councils' fees/ Solid Waste fees for waste collection and disposal
Total				60,488	

10.7.2.2 Conditional Capital Grants for Investment in Joint Projects

- The joint services council's by-law was updated and endorsed as of 26th of February 2016.
- The establishing agreement of the Joint Service Council and its affiliated villages was upgraded.
- The Program Committee approved three eligible JSC's in the first round, four JSCs in the second round and two JSCs for the third round.
- Twenty one sub-projects were approved by the program committee and DPs concerning the 1st two rounds, however the projects for the 3rd round is still in the identification process.
- The priorities of the LGUs and the JSCs were nearly different and the process of identification of joint projects between the JSCs and the eligible VCs took some time.
- The allocation and the progress of the 1st, 2nd and 3rd round projects are summarized in **tables 49, 50 and 51.**

Table 49: Status of Joint projects (Round 1)



JSCs	No. of Eligible VCs		Sub-Project	Donor	Allocation (US\$)	Status	output
High JSC for Solid waste Management- Hebron and Bethlehem	20	4,349,457	Supply of industrial machinery and equipment	MDTF	26,410	Completed	Supply of industrial machinery and equipment
			Supply & delivery of 4x4 Pickup vehicles.	MDTF	215,247	Completed	4 Pickup vehicles
			Supplying of Solid Waste Steel containers	KFW(598,117)+MDTF(271,513)USD	869,630	Completed	Different sizes of Solid Waste Steel containers
			Supply Solid Waste Plastic containers	KFW	156,968	Completed	3375 (240 liter) containers
			Garbage Truck and Carrier and Trailer transfer trucks	KFW	1,073,925	Completed	3 solid waste collection 8 cubic meter, 3 vehicles 12 cubic meter, 1 Trailer 32 Ton, 2 dumping trucks
			Waste Tank and sewage tank	KFW	414,030	Completed	Water tank and sewage tank
			A Building(Garage and warehouse)for maintenance and operation for the equipment's	MDTF	443,487	Ongoing	
			Supply of a Track Skid loader, Wheel Excavator	KFW	849,283	Completed	Track Skid loader, Grapple, Wheel Excavator
			Backhoe loader		249,750	Completed	3 backhoe loaders
			Skid Steer loader		50,727	Completed	Skid steer loader
Multi-Purpose JSC (Planning and Development) in Tubas	4	594,864	Supply, install and operate the solar Photovoltaic system of capacity 500 kWp for (Wadi Al Far'a ,Tyaseer,Al Aqaba, and Atoof)	MDTF	594,864	Completed	-
JSC for Solid Waste Management/ Salfit	6	991,035	Supply, install and operate the solar photovoltaic system of 293 kWp for South Salfeet (Yasoof, Farkha, and Iskaka)	MDTF	326,329	Completed	-
			Supply of Construction Equipment's for West Salfeet (Masha, Rafat, and Sarta) phase 1	MDTF	636,654	Completed	Construction Equipment's for West Salfeet (Masha, Rafat, and Sarta)
			Supply of Construction Equipment's for West Salfeet (Masha, Rafat, and Sarta) phase 2	MDTF	28,052	MDLF Review	-

Table 50: Status of Joint Projects (Round 2)



JSCs	No. of Eligible VCs		Sub-Project	Donor	Allocation	Status	output
JSC North Nablus for planning and development	6	1,099,656	Supplying Waste collection truck Electrical platform and pick up car , supplying GPS (Surveying equipment) (Nablus)	MDTF	375,656	Completed	-
			Rehabilitation and finishing works for existing JSC building and supplying furniture(Nablus)	MDTF	100,000	Replaced by a new one to be submitted to WB for No. objection. The proposed sub-project is "Finishing Works of Al Haj Oqab Abdi School in Beit Imreen" (Ongoing)	-
			Supplying plastic and steel solid waste containers	KFW	104,000	Completed	555 plastic containers 240 liters, 290 steel containers 1.0 cubic meter
			Vocational school	MDTF	520,000	Ongoing	-
Qalqilya /Middle JSC for planning and development	3	268,191	Supplying Electrical platform and solid waste truck collection (Qalqilya)	MDTF	268,191	Completed	Electrical Platform and 21 cubic meter waste collection Truck
JSC for Solid Waste Management/ Tulkarm	4	727,542	Supplying equipment's (Tulkarem)	MDTF	468,400	Completed	2 backhoe loaders
			Supplying equipment's (Tulkarem)	KFW	28,848	Preparation of Tenders	-
			Supplying plastic and steel solid waste containers	KFW	165,212	Completed	200 plastic containers, different sizes of steel containers
			Rehabilitation of existing facilities (Piston and Washing area)(Tulkarem)	KFW	65,082	Tender preparation	-
JSC for Solid Waste Management/ Bethlehem	9	1,736,883	Supply collection and transfer solid waste trucks, and solid waste service equipment's Supply collection and transfer solid waste trucks, and solid waste service equipment's (Bethlehem)	KFW	757,000	Ongoing	-
			Supplying solid waste containers	KFW	540,681	Ongoing	-
			Extension of existing JSC building	KFW	300,000	Tendering	-
			To be proposed later or distributed to other projects	KFW	164,883		-

Table 51: Status of Joint Projects (Round 3)



JSCs	No. of Eligible VCs	Sub-Project	Donor	Allocation \$	Status
JSC for Solid Waste Management for Nablus Governorate	30	Supply collection and transfer solid waste trucks, and solid waste service equipment's (Nablus)	KFW	1,245,000	Evaluation
		Supplying Steel solid waste containers (Nablus)		450,000	Evaluation
		Supplying plastic solid waste containers (Nablus)		15,000	Tender Preparation
		Land Rehabilitation for parking, washing and lubrication of vehicles		109,937	Tender Preparation
JSC for Planning and Development west Ramallah villages (Nilin)	12	Supplying Electrical platform, 2 Backhoe loader, 2 street sweeper and (2 bobcat" to be replaced by solid waste containers as below") (Ramallah)	KFW	570,000	Evaluation
		Supply and install central server		30,000	Design
		Supply small equipment		80,063	Design
		Supplying solid waste plastic 240m		100,000	Tender Preparation

10.7.2.3 Environmental and Social Management

The program is managed through compliance to the national environmental and social regulations, depicted in the Environmental and Social Management Manual.

Under Component 1, MoLG is responsible of environmental and social management. Table 56 summarize the Environmental and Social progress:

Under Component 2, MDLF is responsible of environmental and social management. Table 57 summarize the Environmental and Social progress:



Table 52: Summary of Environmental and Social Progress in Component 1

Projects	Progress	Notes
Construction of Public Buildings/ gardens (Rooms, Clinics, rehabilitation of JSC building, gardens, playgrounds...etc)	- These sub-projects fall under category B, where consultation with neighbouring community was conducted to verify the potential environmental and social risks and impacts during construction and operation stages. - Compliance with the environmental management plan is supervised by the supervisor engineer. - Complaining channels were available, but no complaints were received during the construction stage.	- The construction of public buildings / gardens sub-projects is of temporal impact, with low risk being confined.
Rehabilitation of roads and sidewalks and retaining walls for roads	- These projects fall under category B, where consultation with neighbouring community was conducted to verify the potential environmental and social risks and impacts during construction and and operation stages. - Compliance with the environmental management plan is supervised by the supervisor engineer from MoLG. - Complaining channels were available, but no complaints were received during the implementation stage.	- Roads development sub-projects are of temporal impact, with low risk, where being confined and in remote areas reduced the risk of accidents of citizens.
Supply of solid waste containers and vehicles for the benefit of villages	- projects are being rated under Category C of Environmental assessment. The project will enhance the collection service, aiming to serve new localities where to minimize health risk of combustion and illegal disposal of waste. - Specification for all vehicles followed International regulations for efficient operation and pollutant emissions constraints.	- The supply sub-projects of beneficial impact to promote the health and hygiene in the surroundings and protect the environment.
The Solar Energy Projects and Supply of street lighting units with solar power, and electrical converters	- Solar energy projects (grid connected Solar Photovoltaic) fall under category B of environmental assessment. - Environmental management during construction stage: The MoLG engineers follow the site specific ESMPs. The work is being implemented in confined and relevantly remote areas, where no deep excavation or risky tasks included. - Complaining channels were available, but no complaints were received during the implementation stage.	
Water and Wastewater networks	- Rehabilitation and maintenance of Water and wastewater networks fall under category B of environmental assessment. - Compliance with the environmental management plans is supervised by the supervisor engineers from MoLG. - Complaining channels were available, but no complaints were received during the implementation stage.	
Supply of water counters	- Projects are being rated under Category C of Environmental assessment. The project will enhance addressing the water loses problems.	
Supply of electrical counters	- Projects are being rated under Category C of Environmental assessment.	
Supply of IT equipment	- Projects are being rated under Category C of Environmental assessment.	
Supply of Furniture for schools, clinics, councils ...etc	- Projects are being rated under Category C of Environmental assessment.	



Table 53: Summary of Environmental and Social Progress in Component 2

Projects	Progress	Notes
Round 1		
Supply of solid waste containers and vehicles for the benefit of villages and JSC	- projects are being rated under Category C of Environmental assessment. The project will enhance the collection service, aiming to serve new localities where to minimize health risk of combustion and illegal disposal of waste. - Specification for all vehicles followed International regulations for efficient operation and pollutant emissions constraints. - Operation will be managed by the High JSC of Solid waste (AlMinya).	- The supply sub-projects of beneficial impact to promote the health and hygiene in the surroundings and protecting of environment. - The construction sub-projects are of temporal impact, with low risk, where being confined and in remote areas reduced the risk of accidents of citizens.
The Solar Energy Projects and Supply of street lighting units with solar power	- Solar energy projects (grid connected Solar Photovoltaic) fall under category B of environmental assessment, land is owned by JSCs. - Environmental management during construction stage: The JSC engineers and MDLF consultant follows the Project ESMP. The work is being implemented in confined and relevantly remote areas, where no deep excavation or risky tasks included.	
The Construction of Multipurpose building and Garage	- The project falls under category B, where consultation with the neighbouring community was conducted to verify the potential environmental and social risks and impacts during construction and operation stages, and has been leased to the JSC. - Construction- environmental management will be managed through a supervisor engineer. - Environmental and Social management is included in construction stage and is managed by supervisor engineers hired by MDLF in addition to the JSC engineering staff. MDLF team monitor the implementation and the compliance to environmental and social management.	
Round 2		
Supply of solid waste containers, equipment and vehicles for the benefit of villages and JSC	- projects are being rated under Category C of Environmental assessment. The project will enhance the collection service, aiming to serve new localities where to minimize health risk of combustion and illegal disposal of waste. - Specification for all vehicles followed International regulations for efficient operation and pollutant emissions constraints.	- The supply sub-projects of beneficial impact to promote the health and hygiene in the surroundings and protecting of environment. - The construction sub-projects are of temporal impact, with low risk, where being confined and in remote areas reduced the risk of accidents of citizens.
All rehabilitation of buildings (School in Beit Emreen), Construction of Vocational School in Nablus, Extension of Bethlehem JSC building, Rehabilitation for vehicles cleaning facility	- falls under category B, where minor impacts is expected during construction, in addition to proper design and JSC operations to ensure efficient and pollution reduction operation. - Environmental and Social management is included in construction stage and is managed by supervisor engineers hired by MDLF in addition to the JSC engineering staff. MDLF team monitor the implementation and the compliance to environmental and social management.	
Round 3		
Supply of solid waste containers, equipment and vehicles for the benefit of villages and JSC	- projects are being rated under Category C of Environmental assessment. The project will enhance the collection service, aiming to serve new localities where to minimize health risk of combustion and illegal disposal of waste. - Specification for all vehicles followed International regulations for efficient operation and pollutant emissions constraints.	- The supply sub-projects of beneficial impact to promote the health and hygiene in the surroundings and protecting of environment. - The construction sub-projects are of temporal impact, with low risk, where being confined and in remote areas reduced the risk of accidents of citizens.
Rehabilitation for vehicles cleaning facility/Parking	- falls under category B, where minor impacts is expected during construction, in addition to proper design and JSC operations to ensure efficient and pollution reduction operation. - Environmental and Social management is included in construction stage and is managed by supervisor engineers hired by MDLF in addition to the JSC engineering staff. MDLF team monitor the implementation and the compliance to environmental and social management.	



10.7.2.4 Capacity Support for Strengthening Local Governance Institutions

- A general framework for capacity building plan was introduced and adopted by the MoLG as well as FPs, with activities designed in line with the MoLG's policies. Where the operational capacity building plan for 2018 included the capacity building in the areas of planning, procurement management, budgeting, financial management, infrastructure management, and environmental management.
 - MOUs and partnerships were signed with GIZ through LGRP programme as well as the BTC through LGRDP Programme in February 2017.
 - The capacity building plan has been approved by the ministry and also by the DP's.
 - The contract of building the financial management capacity for VCs, JSCs MoLG accountants has been signed and the activities regarding this assignment are ongoing.
 - A survey was conducted regarding local economic development.
 - # of beneficiaries regarding to the FM-CB ca be illustrated as follows :
- | # | Year | # of targeted VCs | # of targeted JSCs |
|---|-----------|-------------------|--------------------|
| 1 | 2017-2018 | 139 | 22 |
| 2 | 2018-2019 | 48 | 10 |
| 3 | 2019-2020 | 48 | 10 |
- Several training workshops related to general procurement will be carried out as soon as the HCPPP finalizes the preparation of the Standard Bidding Document. The workshops will target engineers at village councils and joint-service councils as well as individuals responsible for procurement, in addition to the staff of MoLG and related directorates. The objective of these workshops is to familiarize the participants with the framework of the procurement law for 2014 and the system related to it.
 - Several pieces of training in the fields of Procurement, Budgeting, Financial, Infrastructure management, Community Planning will be conducted to the new eligible VCs staff and repeated for the old eligible VC upon needs.
 - The updating of the ACIP for the VCs took place by the beginning of August over the last 4 years.
 - The MoLG (Budget dept.) finalized the preparation of the budget portal.
 - It was planned to conduct a training in cooperation with the Higher Public Procurement Policies Council (HPPPC) to the technical staff in the VCs and MoLG in using the Standard Bidding Document(SBD) in 2020, however it is unforeseen to be conducted in the near future due to Covid -19 pandemic.

It is worth noting that as usually happened in any other plans, MoLG has expanded, adjusted, delayed, merged some activities due to practical reasons which make the plan a "a living document". The **Table 54** below summarizes the progress of the capacity building plan:



Table 54: Capacity Building Action Plan

Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
LGSIP Capacities and Needs Assessment	Capacities and Needs Assessment for Village Councils	GIZ	VCs	Completed	Completed in 2017 by external consultant
	Capacities and Needs Assessment for MoLG	GIZ	MoLG	Completed	Completed in 2017 by external consultant
Update the Policy Note on Participatory Integrated Planning	MOLG P1.1 Update and Adopt and publish the Policy Note and Guidelines (Adoption will include all organizational anchoring measures within the MOLG structures)	GIZ	MoLG	Completed	
	MOLG P2.1 Develop a concept for joint planning and services areas based on essential criteria (social, economic, political, etc.) across the country.	GIZ (LRGP), BTC (LGRDP)	VCs and MoLG	Ongoing	Partially completed. Out of three studies, one study of joint planning was completed by a German-Egyptian team, however, the PILOT study that aimed to identify gaps in targeted areas was not conducted, and detailed criteria were not developed. The reason these activities were not completed is because the funded projects are linked to different time frames. Additionally, an invitation to bid was initiated yet the tender was not awarded because the prices were very high. The ToR are also constantly being updated.
Support the preparation of the participatory plans (ACIPs) for VCs, JSCs in accordance to the updated guidelines	P1.1 identify concerned VCs	LGSIP	VCs	Completed	Identified 204 VCs
	P1.2 identify concerned JSCs	LGSIP	JSCs	Completed	Identified 21 JSCs
	P1.3 Support the preparation of the plans in the identified VCs/ JSCs (Consultant)	LGSIP	VCs/ JSCs	Completed	Targeted LGUs developed ACIPs and MOLG has Hired number of mobilizers each year to support VCs in developing ACIP.
Coach and Train MoLG responsible/relevant staff (at the MoLG HQ and District Offices) on Community Planning	MoLG P2.1 Develop the training program and materials on Community Planning (3 packages) (An On-Job Training was done by the MoLG Mobilizers during preparation of the ACIPs)	GIZ	MoLG	Completed	
	MoLG P2.2 Conduct the training (centrally) MoLG Staff	GIZ	MoLG	Completed (in house)	



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
	P2.2.1 Learning Day on policy and Guidelines (this task does not affect LGSIP DLIs)	GIZ	MoLG		This is usually done for MoLG and municipalities, not VCs
	P2.2.2 (a) Orientation sessions on updated policy and Guidelines (for planners)	BTC	MoLG	Completed	
	P2.2.2 (b) Orientation sessions on updated policy and Guidelines (for Budget and project departments)	LGSIP	MoLG	Completed.	A workshop was conducted on Nov 12, 2017 and it was attended by 20 people.
	P2.2.3 Training on baladiyat.ps software (this task was done for the eligible VCs)	GIZ	MoLG	Completed	Continuous; trainings target all users of baladiyat.ps
Coach and Train on Community Planning for VCs responsible/relevant staff (VCs and key planning staff from the community)	P2.1 Prepare for the training materials	GIZ	VCs	Completed	
	P2.2 Prepare for the orientation Program (logistics, technical, etc)	GIZ	VCs	Completed	
	P2.3 Coaching selected VCs on tools of citizen engagement / social accountability in decision making and planning	GIZ	VCs	Completed	A contract was concluded with a consultancy firm in 2018.
	P2.4 Training selected VCs on Annual Community planning ACIPs/ or update (north, middle, south)	GIZ	VCs	Completed	A contract was concluded with a consultancy firm in 2018.
	P2.5 Training on public disclosure tools including use of social media	LGSIP	VCs	Completed	Completed
	P2.6 Coaching the VCs on simplified proposal writing (Project profile) including the Operational and Maintenance Plans	LGSIP	VCs	Completed	Completed (merged with training on Environmental and Social Management) A workshop was conducted on Sept 18, 2017 and attended by 29 participants. Another workshop was conducted on Sept 20, 2017 and attended by 42 participants.



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
	P.2.7 Adaptation of baladiyat.ps for Village Councils (this task does not affect the LGSIP DLIs)	GIZ	VCs	In process	A contract was signed with Jaffa Company to develop a special version for Village Councils. Councils' members will be trained on how to use the program in September, 2020. A data entry specialist used to enter the plans of the local councils. However, An item was added to the contracts of the consultants who helped in developing the village councils' plans. This item suggests that data entry became the responsibility of these consultants until the training of the developed program start in September.
	2.8 Trainings for use of baladiyat.ps / Learning day on baladiyat.ps software for focal points in VCs	GIZ	VCs		Trainings target all users of baladiyat.ps including Village Councils
Coach and Train on Community Planning for JSCs responsible/relevant staff	Prepare and conduct for the Orientation Program (logistics, technical, etc.) with MDLF	LGSIP	JSCs	Completed	
Develop a concept for joint planning and services areas based on essential criteria (social, economic, political, etc) across the country.	Identify concerned JSCs based on the JSC Assessment	BTC	JSCs		
	Organize and conduct a training program for JSCs for single services, multi services and JSC on the guidelines and methodologies	BTC	JSCs		In planning process with JSC Department – Shift 2018
	Conduct analytical relevant studies (service-centers, economical, demographic, environmental, etc.) - GIS based.	BTC, GIZ	JSCs		Depends on sub-activity MoLG P2.1 "JDPA ToR". (This task does not affect the LGSIP DLIs)
	Conduct a dissemination and consultation campaign with relevant stakeholders within the survey	BTC	JSCs		Depends on sub-activity MoLG P2.1 "JDPA ToR". (This task does not affect the LGSIP DLIs)



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
	Prepare the joint planning boundaries layer which reflects a new concept for joint service delivery and potential consolidation of LGUs (while taking into consideration the recent updates of the 1997 LG Law as well as the JCs by-laws after the study conducted within the end of the year)	BTC	JSCs		Depends on sub-activity MoLG P2.1 "JDPA ToR". (This task does not affect the LGSIP DLIs)
Procurement: An Orientation workshop about the New Procurement Law (Public Procurement Law)	Conducting an Orientation workshop about the New Procurement Law (Public Procurement Law)	LGSIP	VCs/JSCs	Completed	6 workshops conducted 1 st workshop – 29 participants 2 nd workshop – 35 participants 3 rd workshop – 37 participants 4 th workshop – 31 participants 5 th workshop – 13 participants 6 th workshop – 48 participants 7 th workshop – 35 participants Agenda included: • Public Procurement Reform • Institutional Arrangement for Public Procurement • Procurement of Goods, Works and Non-Consulting Services • Ethics and Integrity • Complaints and Dispute Review • Copies of the Procurement Law and the Bylaw will be distributed later.
Organize and conduct an orientation/training program for LGUs/JCs on the new instructions	Prepare for the Orientation Program (logistics, technical, etc.) Conduct the orientation on a regional basis (North, Middle, South)	LGSIP	VCs/JSCs	Completed	
Support LGUs/JCs to adapt and practice the procurement procedures according to the new instructions		LGSIP	VCs/JSCs	Completed	
Prepare and publish Procurement Instructions for LGUs (based on the new law)	Finalize the instructions Issue a decree on the use of the instructions	LGSIP	VCs/JSCs	Completed	
Providing the VCs, JSCs, MOLG with hard copies of Procurement Law (#8) + the Bylaw	Editing copies of the Law and the Bylaw (estimate # of copies: 1000)	LGSIP	VCs, JSCs, MOLG	Completed	



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
Train the MOLG relevant staff + VC/JSC relevant staff on using the SBD on the new procurement law	Conduct training courses in using the Standard Bidding Documents (SBD)	LGSIP	VCs, JSCs, MOLG		The forms were approved by the Council of Ministers on 16 December, 2019. According to Law No. (8) of 2014 regarding public procurement, the Higher Council for Public Procurement Policies (HCPPP) is responsible for conducting such training courses in order to avoid any inconsistencies.
Procurement of IT Equipment and Solutions for Village Councils	Determining VC IT Infrastructure Needs	GIZ	VCs	Completed	
	Determining Qualification Criteria	GIZ	VCs	Completed	
	Tendering and Rolling Out IT Solutions	GIZ	VCs	Completed	Different IT equipment and computers were purchased for 90 village councils.
	Accompanying Capacity Development Measures	GIZ	VCs	In planning	Accompanied IT equipment and implemented via GIZ.
Infrastructure Management: Organize and conduct an orientation/training program for LGUs/JVCs on the guidelines	Prepare and conduct the orientation sessions on the environmental and social safe guards program (logistics, technical, etc.)	LGSIP	LGUs/JVCs	Completed	
Coach and Train the MOLG relevant staff on the guidelines	Conducting training courses on the environmental guidelines	LGSIP	LGUs/JVCs	Completed	



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
Ensure that the guidelines are being implemented as part of sub-program 1 & 2	On-the-job training	LGSIP	LGUs/JVCs	Ongoing (yearly)	Village councils' procedures are constantly reviewed during GIZ's visits to these councils. Tenders are also reviewed before they are introduced to ensure they comply with environmental standards.
Developing a Simplified Contract and Project Management Guidelines & Material (based on the procurement guidelines)		LGSIP		completed	The activity was implemented by the Belgian Development Agency
Conduct a training program on general contract management and supervision aspects in reference to the procurement law	Prepare for the training Program (logistics, curricula, etc.) for VCs & JSCs.	LGSIP	VCs	Completed	Completed as it was linked to the previous activity.
	Conduct the training program (BTC will conduct training for Projects & Planning Department in MoLG; MoLG will conduct trainings for VCs& JSCs)	LGSIP	MoLG, VCs, JSCs	Completed	Completed as it was linked to the previous activity.
Adaptation of IT-based administrative solutions for infrastructure management and other administrative processes	Simplification and adaptation of IT solutions for VCs as needed; Trainings on use	GIZ	VCs	Completed	
Training of MoLG staff on related guidelines and systems		GIZ	MoLG	Completed	
Budgeting: Orientation workshop	Conducting an awareness workshop about the usage of Budgeting Gate (Online System)	BTC	MoLG, VCs, JSCs	Completed	Completed



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
Prepare and conduct an orientation/coaching program on Budget Preparation and Submission, Execution, and Reporting	Prepare for the orientation Program (logistics, technical, etc.)	LGSIP	MoLG, VCs, JSCs	Completed	2 workshops conducted on financial procedures August 7 & August 9, 2017
	Conduct the orientation program regionally (North, Middle, South) on an annual basis	LGSIP	MoLG, VCs, JSCs	Completed	
Update the budgeting guidelines to reflect the new changes including the unified COA, Budget Structure, Linkage to Planning, etc.	Update the budgeting guidelines to reflect the new changes including the unified COA "Chart of Accounts", Budget Structure, Linkage to Planning, etc. Conduct 3 sessions (North, Middle, South) for VCs and JSCs	BTC	MoLG, VCs, JSCs	On going	Planned for 2018
Training of MoLG staff on budget analysis and follow-up		GIZ	MoLG, VCs, JSCs		Completed in 2018 by (PwC)
Accounting: Training Courses/ Awareness Sessions	Conducting an awareness workshop and training about (Financial procedures).	BTC	MoLG, VCs, JSCs	Completed	
Prepare and conduct an orientation/coaching program on Accounting procedures and systems	Conduct a financial, accounting training as per "Hiring Consultant firm for building the financial CB for JSC, VC and MoLG Staff	LGSIP	MoLG, VCs, JSCs	Completed	Completed in 2018 by PricewaterhouseCoopers (PwC)
Development of a Simplified Accounting System for Village Councils	Development of Scalable IT Solutions and Trainings on Use	GIZ	VCs	Completed	Accounting programs were provided to 35 village councils



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
Inter-Governmental Fiscal System: Prepare and adopt a concept note and action plan on the required reforms of the inter-governmental fiscal system	Conduct a study on inter-governmental fiscal status, revenue and expenditure assignments of LGUs & JCs, etc.	LGSIP	VCs, MOLG	deleted	Responsibility of the Council of Ministers and the Ministry of Finance
Prepare and adopt guidelines/criteria for distributing the transportation and fuel tax	Prepare and publish the guidelines and the formula	GIZ	VCs, MOLG	Completed	Completed
Improving the performance of MoLG	Hiring Program Coordinator Assistant	LGSIP	MOLG	Completed	Consultants have been contracted for all years.
	Training course in English Language	LGSIP	MOLG	Completed	Ministry staff have been trained at the British Council
	Interpreting + POM Translations	LGSIP	MOLG	Completed	The translation was completed in 2018
	Conduct trainings on different issues which may lead to improve the performance	LGSIP	MOLG	Completed	A training session was held in Jordan-Amman on the environment in 2017. A visit to Turkey was done to know about the specifications of the pre-paid water meters. There are also some other activities that were carried out in 2020.
Enhancing Citizen Engagement	To be determined based on TOT supported by WB	LGSIP	VCs	Completed	Completed by GIZ
	Tools of citizen engagement in decision making and planning (preparing training kit conducting on-the-job training)	LGSIP	VCs	Completed	Completed by GIZ



Activity	Sub Activity	Source Of fund	Beneficiary	Status	Remarks
Training on GRM system		LGSIP		completed	There is a program for the Council of Ministers funded by the World Bank. This program includes a group of ministries, including the Ministry of Local Government, and thus the activity has been included in this program.
Implementing Social Accountability Tools	Organize and deliver customized training course on social accountability	GIZ	CVs	Completed	Completed by GIZ
	Implementing SA tools	GIZ	CVs	Completed	Completed by GIZ
	Provide media packages for LGUs (including VCs)	GIZ	CVs	Completed	Completed by GIZ
Promotion Programme for Citizen Mobilization	Promotional program for citizen mobilization for participatory planning processes with a particular focus on women, youth and people with disabilities to raise awareness and knowledge of rights of citizens and duties of LGUs (to support the conduct of development and spatial planning in a participatory, inclusive manner, involving all population groups and promoting more transparent budgeting and decision-making processes)	GIZ	CVs	Completed	Completed by GIZ
Awareness Sessions / Orientations	Conducting orientation sessions for the new elected bodies & LGUs members	BTC	CVs	Completed	Two sessions were held, one targeted the way to deal with the media and social media, and the other aimed at dealing with the public.
Inter Village Arrangement & Promotion	To support the MoLG in designing the inter-village collaboration policy to support the MoLG in designing the inter-village collaboration policy. Small booklet for IVC, produce paper for IVC, lessons learned, advice and recommendations MoLG in designing the inter-village collaboration policy.	BTC	MoLG, CVs	Completed	Two concept papers were developed by Enabel that entitled inter-village collaboration and integration. They are currently under review by the Ministry on order to be approved and distributed to local bodies.



10.8 DLIs Achievements

Table 55: The achievement against the DLRs

DLI	DLI Indicator	DLR Indicator	(Revised Target) (\$)	Report No	Original Target amount (\$)
DLI 1	DLI 1: Enabling steps to strengthen local governance adopted by MoLG	DLR #1.1 - MoLG adopted standardized Governance Framework for joint the local services provision by more than one VC and adopted formula for annual Capital Investment Grant allocation for VCs/JSCs.	\$1,000,000	IVA Report #00	\$1,000,000
		DLR #1.2 - The MoLG issued Procurement Instructions for LGUs to follow in procuring local services.	\$800,000	IVA Report #01	\$800,000
DLI 2	DLI 2: Timely communication to VCs of the formula-based Annual Capital Investment Grant (ACIG) allocations and timely transfer of ACIGs to eligible VCs.	DLR#2.1 - Communication of the ACIG allocation to VCs by January 31, 2017.	\$800,000	IVA Report #02	\$800,000
		DLR#2.2 - Communication of the ACIG allocation to VCs by January 31, 2018.	\$800,000	IVA Report #02	\$800,000
		DLR#2.3 - Communication of the ACIG allocation to VCs by January 31, 2019	\$800,000	IVA Report #04	\$800,000
		DLR#2.4 - Communication of the ACIG allocation to the VCs by January 15, 2020 and transfer of ACIGs to eligible VCs by January 31, 2020.	\$800,000	IVA Report #05	\$800,000
DLI 3	DLI 3: Timely communication to VCs of the formula-based Annual Capital Investment Grant (ACIG) allocations and timely transfer of ACIGs to eligible VCs	DLR#3.1 - 50% of Program eligibility criteria met by Jan 15, 2017.	\$700,000	IVA Report #02	\$1,000,000
		DLR#3.2 - 60% of Program eligibility criteria met by Jan 15, 2018.	\$977,500	IVA Report #02	\$1,000,000
		DLR#3.3 - at least 50% of VCs, maximum of 70% of Program eligibility criteria met by Jan 15, 2019	\$1,661,250	IVA Report #04	\$1,500,000
		DLR#3.4 - maximum of 70% of Program eligibility criteria met by Jan 15, 2020	\$1,661,250	IVA Report #05	\$1,500,000



DLI	DLI Indicator	DLR Indicator	(Revised Target) (\$)	Report No	Original Target amount (\$)
DLI 4	DLI4 Cumulative number of Joint Projects approved	DLR #4.1 - 6 (accumulative) joint projects approved for the year 2017.			\$1,000,000
	DLI4 Cumulative number of Joint Projects approved	DLR #4 - 10 (accumulative) joint projects approved for the year 2018.	\$1,333,333	IVA Report #03	\$1,000,000
	DLI4 Cumulative number of Joint Projects approved	DLR #4.3 - 14 joint projects approved	\$1,333,333	IVA Report #04	\$1,000,000
	DLI4 Cumulative number of Joint Projects approved	DLR #4.4 - 18 joint projects approved	\$1,333,333	IVA Report #05	\$1,000,000
DLI 5	Aggregated expenditure percentage of approved Joint Projects	DLR #5.1 - Aggregated expenditure percentage of approved Joint Projects			\$500,000
		DLR #5.2 - Aggregated expenditure percentage of approved Joint Projects			\$500,000
		DLR #5.3 - Aggregated expenditure percentage of approved Joint Projects	\$ 1,500,000	IVA Report #06	\$500,000
DLI 6	Steps to improve transparency and predictability in the allocation	DLR #6.1 - The Recipient submitted its Transportation Fee reform directive to its Cabinet of Ministers for approval	\$300,000	IVA Report #04	\$300,000
		DLR 6.2 - At least 25% of the annual allocation of TF to VCs is disbursed using the criteria set out in the Program Operations Manual	\$700,000	IVA Report #05	\$700,000
DLI 7	Capacity Building Activities delivered by MoLG based on their Annual Capacity Development Plan	DLR #7.1 - Preparation of a Five-Year Capacity Development plan.	\$200,000	IVA Report #01	\$200,000
		DLR#7.3 - Annual Capacity Development Plan for year 2017 executed.	\$400,000	IVA Report #02	\$400,000
		DLR#7.3 - Annual Capacity Development Plan for year 2017 executed	\$500,000	IVA Report #04	\$500,000
		DLR#7.4 - Annual Capacity Development Plan for year 2017 executed	\$400,000	IVA Report #05	\$400,000
Total Amount			\$18,000,000		\$18,000,000



10.9 Results Framework

Table 56: Assessment of PDO Results

Indicator	Target	Achieved
PDO Indicator 1: VCs receiving transparent and predictable Annual Capital Grants	Target FY 2016-2017 40% Target FY 2017-2018 50% Target FY 2018-2019 60% Target FY 2019-2020 70%	Partially Achieved FY 2016/2017 61 / (241-34-6) = 30% (confirmed by the IVA) <u>Note:</u> - # VC with pop. Share > 60% = 34 - 6 VCs were promoted to municipalities Achieved FY 2017/2018 122 / (272-44) = 53% (confirmed by the IVA) <u>Note:</u> # VC with pop. Share > 60% = 44 Achieved 173 / (284 -45) = 72.4% (confirmed by the IVA) # VC with pop. Share > 60% = 45 Achieved 178 / (278-45) = 76.4% (confirmed by the IVA) # VC with pop. Share > 60% = 45
PDO Indicator 2: Timely communication to VCs of the formula based Annual Capital Investment Grant (ACIG) allocations and timely transfer of ACIGs to eligible VCs.	Target FY 2017 - Yes Target FY 2018 - Yes Target FY 2019 - Yes Target FY 2020 - Yes	Achieved FY 2017 - Yes Achieved FY 2018 - Yes Achieved FY 2019 - Yes Achieved FY 2020 - Yes
PDO Indicator 3: People benefiting from improved service delivery in Program villages	Target FY 2018 (midterm) 230,000	Achieved FY 2019 (accumulative) (466,704) distributed among eligible VCs (1st & 2nd & 3rd & 4th rounds) Female % : 49% totaling (228,685)
PDO Indicator 4: Beneficiaries that feel Program investments reflected their needs	Target FY 2018 (midterm) 65%	Achieved 74% of beneficiaries stated that the projects are very relevant to their needs, 16% stated that the projects are somewhat relevant to their needs.



Table 57: Assessment of Intermediate Results

Indicator	Target	Achieved
Intermediate Results Indicator 1: Annual Capital Grant Allocation Formula approved by MoLG	Target FY 2017 Yes Target FY 2018 Yes Target FY 2019 Yes Target FY 2020 Yes	Achieved FY 2017 Yes Achieved FY 2018 Yes Achieved FY 2019 Yes Achieved FY 2020 Yes
Intermediate Result Indicator 2: Steps to improve transparency and predictability of Transportation Fee adopted by MoLG	Target FY 2017 Transportation Fee reform directive submitted for approval to Cabinet of Ministers	Achieved
Intermediate Result Indicator 3: Percentage of VCs submitting their annual budget to MoLG electronically on time and have disclosed budgets publicly	Target FY 2017 30% Target FY 2018 40% Target FY 2019 50% Target FY 2020 60%	Achieved FY 2017 $61/(241-34^* - 6^{**}) = 31\%$ Achieved FY 2018 $122/(272-44^*) = 53\%$ • Pop share > 60% • Promoted to municipalities Achieved FY 2019 $173/(284 - 45) = 72.4\%$ # VC with pop. Share > 60% = 45 Achieved $178/(278-45) = 76.4\%$ (confirmed by the IVA) # VC with pop. Share > 60% = 45
Intermediate Results Indicator 4: <u>Percentage of VCs that have initiated the implementation of their ACIPs in the same fiscal year</u> <u>targets: FY 17-55% , FY 18 – 60%, FY 19- 65%, FY 20 – 70%.</u>	Target by end of 2017 55% Target by end of 2018 60% Target by end of 2019 65% Target by end of 2020 70%	Not achieved FY 2017 (27/61) = 44% Achieved FY 2018 (70 +39)/122 = 89% Achieved FY 2019 137 / 178 = 77% Achieved so far 155/178 = 87%
Intermediate Results Indicator 5: Cumulative number of joint projects approved	Target FY 2017 – 6 projects Target FY 2018 - 10 (accumulative) Target FY 2019 – 14(accumulative) Target FY 2020 – 18(accumulative)	Not Achieved FY 2017 Zero Achieved FY 2018 - 10 (accumulative) Achieved FY 2019 & FY 2020 - 27 (accumulative)
Intermediate Results Indicator 6: Number of JSCs qualifying for financing under the Program	Target FY 2017 18	Achieved in accordance to the JSC assessment conducted by MOLG (19 JSC are qualified out of which 4 JSCs will be targeted by the 2nd comp.)
Intermediate Results Indicator 7: Share of vulnerable groups who participated in ACIP consultations.	Target FY 2018 (midterm review) 30%	In average (29% youth participation and 23% female participation in the ACIP preparation) based on the reports received from the community mobilizers.



Chart 13: Gender and Youth Participation (ACIP 2020)

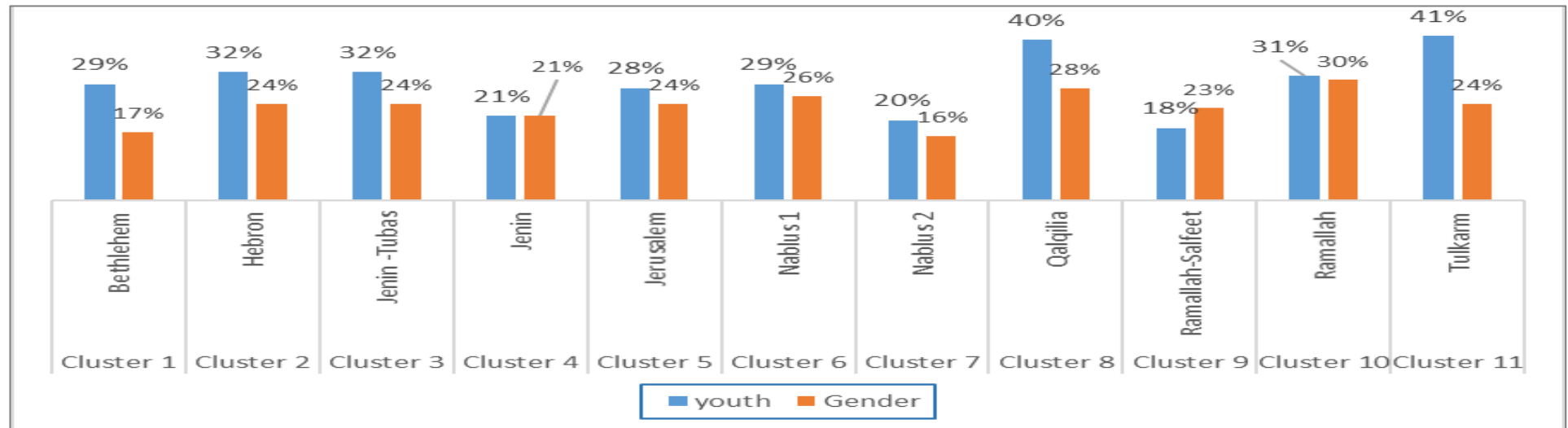




Table 58: Outputs for Component 1 projects

Sector	Sub-Sector	Unit	2017		2018		2019		2020		Total	
			Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
Roads	Roads	Sq.m	49,430	49,430	99,370	91,775	130,728	56,136	145,220	49,490	424,748	246,831
		Km	12	12	25	23	33	14	36	12	106	62
	Drainage (channel)	Lm			1,100	1,100	320	320	22		1,442	1,420
	Sidewalks/Shoulders	LM	6,350	6,350	5,030	4,400	3,525	3,025	7,190	2,460	22,095	16,235
	Retaining Walls	LM			945	945	1,122	822	1,370	430	3,437	2,197
	Lighing Units	No	340	340	101	101	1,100	845	1,216	320	2,757	1,606
Public Facilities	Public Buildings (schools, VCs premises, public halls, clinics, kindergardens...	Sq.m	5,670	5,670	5,330	5,150	1,686	786	6,569	1,500	19,255	13,106
	Public parks	Sq.m	700	700	2,700	2,700	3,350	3,350	300		7,050	6,750
	Playgrounds	Sq.m	1,600	1,600	3,410	3,410	3,500		7,000		15,510	5,010
Water	Water networks	Lm	1,500	1,500	2,050	1,250	1,550	1,550	11,633	2,660	16,733	6,960
	Water Prepaid meters	No	579	579	1,436	1,436	1,198		1,450	225	4,663	2,240
Electricity	Electricity (Solar cells)	Watt					1,615	1,615	5		1,620	1,615
	Solar cells	No.							250	250	250	250
	Electricity Transformers	No.			2	2			15	13	17	15
	Electricity network	Lm			1,350	1,350			5,300	1,000	6,650	2,350
	Electricity Prepaid meters	No.			100	100			976		1,076	100
Solid Waste	Solid Waste Containers	No			380	380			255	60	635	440
	Solid Waste cars	No							1		1	-
Wastewater	Wastewater Networks	Lm			350	350	300	300	568	568	1,218	1,218
Equipment	Computers	No							80	13	80	13
	LCD	No							22		22	-
	Spraying machine	No							1	1	1	1
	Medical devices	No							7	7	7	7
	Electric platform vehicle	No							1		1	-

Table 59: Outputs for Component 1

Outputs	JSC	No. of Eligible VCs	Population
- Supply of industrial machinery and equipment - Supply of 4 Pickup vehicles - Supply of 3375 (240 liter) containers - Supply of 3 solid waste collection Vehicle 8 cubic meter, - Supply of 3 vehicles 12 cubic meter, - Supply of 1 Trailer 32 Ton, - Supply of 2 dumping trucks - Supply of Water tank and sewage tank - Supply of Track Skid loader, Grapple, Wheel Excavator - Supply of 3 backhoe loaders - Supply of Skid steer loader	JSC North Nablus for planning and development	6	1,099,656
- Supply of construction Equipment's for West Salfeet (Masha, Rafat, and Sarta) - Supply of 555 plastic containers 240 liters, 290 steel containers 1.0 cubic	Galqilya /Middle JSC for planning and development	3	268,191
Supply of Electrical Platform and 21 cubic meter waste collection Truck	JSC for Solid Waste Management/ Tulkarm	4	727,542
- Supply of 2 backhoe loaders - Supply of 200 plastic/steel containers with different sizes	JSC for Solid Waste Management/ Bethlehem	9	1,736,883



10.10 Obstacles and Challenges

Obstacles faced during annual planning can be summarized as follows:

- Most residents were busy with their work, thus were unable to find the necessary time for meetings. This meant that meetings were only carried out during weekends or at night, limiting the public participation in developing the plan, specifically affecting women and youth from participating.
- Short-period limited the ability to carry out a major community mobilization, which was necessary to increase the participation of citizens.
- Limited skills by the staff of village councils in different areas of capacity, including skills to draft, utilizing tools for disclosure, ability to conduct meetings, describe projects...etc. All of which meant higher reliance on consultants.
- Challenges in coordination between various public departments at the ministry, donors, as well as MDLF.
- Lack of staff meant to aid the coordinator in logistics.
- Standard Bidding Documents (SBD) are not ready yet, however, the MOLG in cooperation with the world bank update forms and those will be used until the SBDs become ready.
- Long process in identification and appraisal of the joint projects.
- The implementation of the projects was subject to substantial delays due to Covid 19 pandemic.



Success Stories



SUCCESS STORY

1. The First Amusement Park and an Outdoor Amphitheater in Ajjah

Ajjah is a Palestinian town in Jenin Governorate and located on the southern side of Jenin city (about 20 km far from the city). It is a new municipality where its municipal council was established in 2016. Accordingly, the town is still in its early stages of development. In addition, it lacks many municipal services, especially recreational services such as parks and playgrounds.

Despite these challenges, the people of Ajjah town - south of Jenin- were able to find a public space to spend some time away from the pressure and to give them an outlet that they have always looked for, after a struggle of not finding a garden/ park to spend time with their families, especially in the summer season. The municipality of Ajjah was aware of the importance of having a public park, due to the town's lack of complete recreational services. Therefore, the municipality included a plan to build this park among its strategic priorities.

The value of the project amounted to EUR 173,000, which was funded by the Municipal Development and Lending Fund and with a contribution from the municipality of EUR 75,000. The project was implemented throughout two phases. The first phase value amounted EUR 113,000 and the second phase of EUR 97,000.

Citizen Saeed Shehadeh expressed his happiness with the project, which became a reality after it was a dream for the townspeople. He said, "Ajjah was in a dire need of this park because it represents an outlet and an amusement place for the people and their children, especially as the summer season begins." He added, "I was very worried for my children when they play outside because they could only find a place for them in the streets to play, but with this park, it became possible for children to go out without being worried."

As for the citizen Muhammad Maali, he believes that the park contributed to adding a kind of change that the town was missing, explaining that the citizens of Ajjah were unable to find a place to entertain themselves in the town and were forced to go to faraway places, which bore them with financial burdens.

About 6300 citizens will use the park, which is located on an area of about 5000 Square Meters, and it consists of courts for families and youth, games for children, an amphitheater for cultural, national and social events, restaurants, and a car park.

The mayor of Ajjah, Amjad Maali, confirms that the park was based on the vision and aspirations of the popular reality in the town, as the current council took upon itself and among its strategy to create a public park that the town lacked. Stressing that the park is a national project that provides its services to all citizens, while this project will not be monopolized by anyone nor a personal investment.

It is worth mentioning that the park is located in an area far from the population centers in the west of the town and it is surrounded by a series of mountains full of trees, so that its presence does not cause a disturbance to the citizens.





SUCCESS STORY

2. Solar Energy Project in Mari Ibn Amer Municipality

Beit Qad is one of the villages in Jenin that take a place in the West Bank, located five km east of Jenin. It overlooks the plain of Marj bin Amer, and it is the meeting point of a number of villages, such as Faquaa, Jalboun, Deir Ghazala and Arbouneh.

The village of Beit Qad, northeast of Jenin, has suffered from continuous power cuts for many years; which made the area repeatedly suffer from this obstruction during the peak periods, especially in the winter and summer seasons, and it became a necessity to find a way to end or alleviate the suffering of the citizens there. That what made the municipality of Marj Ibn Amer -responsible for 10 communities, including Beit Qad-, think of realistic solutions such as building a solar energy project.

The project was implemented by a contracted company and funded by the Municipal Development and Lending Fund, on a land area of three thousand square meters, which was allocated by the Palestinian government for the benefit of the municipality, with a total value of EUR 247,000.

The project has been completed and it currently serves about 2000 citizens in the villages of the northern Beit Qad, which has a population of 500, and the southern Beit Qad, which has a population of 1500 inhabitants.

The citizen Samer Hussein is proud that Beit Qad has not suffered from power cuts, as he confirms that during the past few years he lost a number of electrical appliances due to the outage, which costed him massive financial burdens. He points out that the solar energy project significantly contributed to save energy, in addition to reducing the electricity invoice that he used to pay for the electrical current that was frequently disconnected.

The project manager and the head of the planning and organization department in the municipality, Engineer Omar Abu Al-Rub said, the project produces 30,000 kilowatts per month, and this has led to two positive results for the region; the first of which is that it reduced 20% of the dependence on the electrical energy coming from Israeli Electricity Company, and the second result reached out is the reduction of the monthly invoice that was spent for the account of the Israeli company. He added that the municipality "aspires during the next five years to produce 1 megabyte of electric power, in order to reduce the value of the monthly invoice of the Israeli Electric Company, and to reduce the pressure on the networks in the winter and summer seasons."Moreover, he hopes that the solar energy project will be applied in the rest of the municipality's properties because of its great impact on the lives of the citizens and alleviate the suffering that has accompanied them for many years.

Abu al-Rub believes that these projects help in relying on the Palestinian human force, in order to stop the extortion of the Israeli electricity company on the Palestinian communities; as the fact that they are the only electrical source. They are not only cutting the electrical current, but they also cut the current without a prior notification; resulting massive losses in the household electrical appliances. In addition to the large financial burden on the Palestinian citizens.

He pointed out that the projects offered by the Municipal Development and Lending Fund are positively reflected on the local street, and contributed to the development of recreational and developmental fields in the targeted areas.





SUCCESS STORY

3. Rehabilitation of Internal Streets in Bethlehem

Some consider Bethlehem as one of the most important tourism destinations in the world. However, for long years, its residents suffered from the deterioration of the infrastructure and from the cracked streets because of the severity of its use and the lack of the necessary expenses for its continuous maintenance. According to Bethlehem municipality, they have been working to provide the basic infrastructure needs for its residents in the first place and for the visitors.

The municipality and with the support of the Municipal Development and Lending Fund, rehabilitated a number of internal streets. One of these streets is Al-Qanater Street which previously lacks the slightest safety measures in addition to its dangerousness on citizens, especially children. However, after having this project implemented, the street has been changed from being a danger on the pedestrians to the best according to the terms of safety.

A new asphalt layer has been added to the 1,000 meters along with the two bystreets for the first time since the 90s, with sidewalks a meter and a quarter wide in each direction, landscaping trees, LED lighting units, pedestrian lines, retaining walls, and wooden benches.

Rami Jarasha, a young man who works in a commercial company located beside the street, says that the street has been in poor condition for many years, and because of its destruction, the vehicles were exposed to breakdowns, while parents were afraid for their children because of the lack of the sidewalks.

He adds, "Paving the streets is an aesthetic addition to the city, and these projects mainly serve the citizens and it is a source of comfort for them."

The rehabilitation of this street came as a part of a project that the municipality obtained with funding from the Municipal Development and lending fund with a value of EUR 369,125. The project included the rehabilitation of four main and secondary roads in Bethlehem.

According to the Director of the Planning and Projects Department in the municipality, Engineer Ziyad Al-Sayeh, the selection of the four streets came according to the strategic plan that the municipality is working to implement for the years 2017-2021.

He added, "The project serves most of the city's residents, especially since these roads are beside ministries, institutions, shops, churches, and mosques, but in general, it directly serves 2,500 citizens who live in those areas and work in their shops nearby."

At the entrance to the central station, the street serves all internal and external public transport lines. The street, which is 250 meters long and 12 meters wide, was re-paved, where the entire asphalt layer was rehabilitated. In addition to the sidewalks in both directions with a width of not less than a meter, while a steel wall was built with a length of 100 meters at the end of the street section to provide protection for pedestrians.





"We feel safe going to the station," says citizen Ibrahim Kawazbah about the street after rehabilitating it, as he sees that adding sidewalks is very easy for citizens after they were afraid to cross the street because it witnesses large and continuous vehicle movements.

Along almost 630 meters, Saint Joseph's Street was rehabilitated besides a side street, where the main street serves a church, a nursery, and a kindergarten, in addition to no less than 30 homes. The street's width has expanded from 4 meters to 8 meters, with new sidewalks, walls, and lightning. While the side street serves 40 families, as this street has never been paved, and it has been equipped with a new infrastructure of sewage and water lines.

The young woman, Rasha Halabiya, believes that the new street has become safe for pedestrians after adding the sidewalks, especially as it is a very steep street, and its non-existence causes a source of danger on the citizens.

SUCCESS STORY

4. The Marginalized Communities Development Project Graduates a Local Leader

The Marginalized Communities Development Project in Gaza aims to improve local service delivery to the marginalized communities and to enhance the local authority accountability towards citizens and civic groups, including youth, women, and people with disabilities. Perhaps it was not apparent that the project would contribute to the graduation of a female leader in a conservative municipality who presided over one of the committees, challenging family and community restrictions, and devoted a success story in the municipality.



One of the most prominent features of the project was the participatory approach used to involve the local communities to identify priorities and needs, as this process helped to map the needs of the communities; which helped to a better understanding for the needs of the community and stimulated real participation; the people who are responsible for the project made decisions and implemented priorities in order to improve the quality of life for the marginalized communities. The role of the communities continued to grow and be more structured through the formation of the local community committees to support GVCD implementation.

A woman who has been elected by the participants since the committees' establishment has chaired one of the local committees. Moreover, she has shown a great commitment and dedication to monitoring infrastructure projects, supporting municipalities to communicate with people and solve problems between communities and municipality. They have been participating with municipalities in various ways, attending planning meetings, developing projects, implementing preventive activities and sessions, and hold awareness meetings about Covid-19.

Mrs. Nada Khash'aan, who took over the leadership of one of these committees, says, "What I learned during the seven months as a coordinator of the community committee in my city Al-Qarara exceeded what I learned during my university studies. I witnessed many focal points that affected me in different ways: socially, psychologically, and personally, there were many challenges that I have faced from my family and society, even on a personal level. "



One of the challenges that women face at the household level is staying out for long hours in the evening because of an important meeting that cannot be postponed or receives calls that cannot be missed, as well as organizing time between family and volunteer work.

On the societal level, Mrs. Nada continued paving Al-Shaibat Street at Al-Qarara, which required her to make field visits that formed a great challenge to her, neither the parents nor the workers used to see a girl asking them about their satisfaction, maybe they haven't even be accustomed to seeing a woman in a leadership position, which increased her insistence on asking the residents about their satisfaction with the AL-Shuaibat Street project, which gave her a glimmer of hope. My father told me how proud he was, and for the first time, I was so proud of myself because of my performance in front of the media. However, after a while when I read the comments, I felt sad and frustrated, there are a lot of comments wondering how a woman can be in a man's position!"

Mrs. Nada continued, "However, the committee members supported me and one of the community leaders was in a call with me talking about how proud he was of me and he supports me until the end. It was a wonderful invitation and he assured me that criticism is a part of any success."

Today, Mrs. Nada is chairing her twelfth meeting and has dedicated herself as one of the leaders of the young town of Al-Qarara and primarily as a woman leader. "It was a challenging and enthusiastic time," Mrs. Nada told us. "Every time I learn new things. Now that we have organized our twelfth meeting, I feel more confident and happy because I have become an example for many girls my age to take the same approach in community work and also because I have become more acceptable to my community."

The Marginalized Communities Development Project today is proud to provide vivid examples from among the most marginalized groups, thanks to this opportunity, they managed to overcome obstacles that may not have been possible to overcome.

SUCCESS STORY

5. Implementing the Operation and Maintenance System in Gaza Municipality

One of the pillars of the Municipal Development Program is the implementation of capacity building packages, of which the operation and maintenance system was one of its activities. Gaza municipality, one of the targeted municipalities in the first round of the three phases of the Municipal Development Program, got the opportunity to implement the package, whose importance goes beyond formal matters, to directly intervene in organizing the disbursement process and protecting the municipality's limited financial resources.

The role of the Municipal Development and Lending Fund was to assist municipalities in collecting and updating data related to operation and maintenance, managing data entry in the operation and maintenance database, operating the system in order to manage maintenance, and operating plans for public roads and public buildings that fall under the responsibility of the municipality.

Roads and buildings maintenance management system require maintenance priorities to be set with the allocated budget as the material situation is updated and evaluated manually and then is packed into the electronic system. Since Gaza municipality is the largest city in Palestine in terms of population, and as it has a large number of roads that serve hundreds of thousands of residents on daily basis; therefore the program was one of the most important technological additions in the municipality that invested in the past a lot of effort and time in updating data closer to random



and relied almost exclusively on staff judgment in determining the percentage of the state of each road.

The Technical Sector of the Engineering Department in Gaza Municipality realized the slow flow of data, as it carries out maintenance activities on an almost daily basis. Wherefore, the department managed to address the problem through the program, the operation of the system stimulates the development of tools that contribute to the maximum utilization of the system capacity, and the following activities have been implemented as follows;

Connect the filled data in the system to the Global Positioning System (GPS). All routes are already identified. As well as developing a mobile application used by field workers to instantly capture the road conditions and update the required data immediately as the updated data will be imported into the operating and maintenance system through Application Programming Interface, in addition to the above, the mobile application speeds up the calculation of the pavement condition index.

Eng. Alaa Al-Batarki is proud to say, "It is worth noting that the success that accompanied the implementation of the program, which was provided by the system, does not replace the importance of the performance of Gaza Municipality because it exceeded the usual performance in road management compared to other municipalities operating under the same system.

As the exchange of data between sources has become faster and more automated. In terms of identifying and prioritizing the roads that need maintenance within the limited budget and updating the assessment of roads based on the achieved maintenance that is performed daily.

Accordingly, today, Gaza municipality is an example to be emulated by other smaller municipalities, which now see that maintenance is a work that can be done to preserve their resources and benefit, effort and time in greater achievements that give the municipality the opportunity to develop and progress.