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PALESTINIAN AUTHORITY CAPACITY ENHANCEMENT

WORK PLAN
OCTOBER 1, 2011 - MARCH 26, 2013

January 2013 (Amendment)

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OCTOBER 1, 2011 - MARCH 26, 2013

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Acronyms

AQU	Al Quds University
BPR	Business process re-engineering
COE	Centers of Excellence program
GIS	Global information system
GPC	General Personnel Council
ICI	Investment Climate Improvement project
LACS	Local Aid Coordination Structure
MOF	Ministry of Finance
MOI	Ministry of Interior
MOPWH	Ministry of Public Works and Housing
MOT	Ministry of Transportation
MOWA	Ministry of Women's Affairs
MTIT	Ministry of Telecommunication and Information Technology
NSC	National Steering Committee (for Centers of Excellence)
PA	Palestinian Authority
PACE	Palestinian Authority Capacity Enhancement project
PMP	Performance Monitoring Plan
RFP	Request for proposals
SAACB	State Audit and Administrative Control Bureau
TFP	Trade Facilitation Project
USAID	United States Agency for International Development

1.0 Introduction

The Palestinian Authority Capacity Enhancement (PACE) project finished three years of operation on September 26, 2011 and was granted a no-cost extension to December 30, 2011. Then, on December 30, 2011, the United States Agency for International Development (USAID) provided PACE a costed extension until March 2013, increasing the task order ceiling by approximately \$9.8 million to \$30.8 million.

This work plan describes PACE's activities, milestones, and expected results for the remaining life of the project, expanding the March 2012 version of the work plan to account for additional funds obligated by USAID in April 2012. It was revised again in August 2012 to remove activities related to public administration and public education (as per discussions with USAID), add several additional activities with ministry and institutional partners, account for USAID feedback on proposed gender activities, and add limited activities to support the newly created Ministry of Higher Education (pending development of specific activities and USAID approval). It was amended again in October 2012 to account for feedback from USAID and slight changes in implementation realities as described below. Finally, it is being amended in January 2013 to reflect additional implementation realities and reflect changes in USAID priorities. Throughout the year, PACE has been able to add some additional activities as a result of cost savings during implementation, primarily generated through sharing arrangements with the USAID-funded Investment Climate Improvement (ICI) project and other savings on long-term staff level of effort.

Using short-term interventions, PACE builds the capacity and improves citizen services with five principle ministry partners: Ministry of Finance (MOF), Ministry of Transportation (MOT), Ministry of Public Works and Housing (MOPWH), Ministry of Telecommunication and Information Technology (MTIT), and Ministry of Interior (MOI) Civil Affairs Directorate. In FY2012, it will also initiate activities with the General Personnel Council (GPC) and provide limited support to the Ministry of Higher Education (MOHE).

PACE will continue the success of the Centers of Excellence (COE) program and targeted technical assistance and training to build the medium and long-term capacity of its government partners. The COE program will enter the second cycle with current partner ministries during FY2012, and be extended to the GPC.

In addition, the project produced a gender strategy and an initial assessment and recommendations for strengthening public administration education and its training programs, two new objectives that were included in the December 30, 2011 task order modification. These results were completed in early FY2012. During the remaining of the life of the project, PACE will provide targeted assistance to implement some of these recommendations with respect to gender integration.

Based on discussions with USAID, efforts to strengthen public administration and public policy programs will be left to other USAID mechanisms in the future. Based on an assessment produced during the beginning of FY2012, PACE identified a series of interventions to strengthen public administration and education, with a focus on both future and current civil servants. With delays in the receipt of funding, it was unable to fully consider these requests until May and June 2012. At that point and with a new project being designed to focus on public policy and administration processes at the level of the PA and ministry partners, PACE and USAID decided to leave these specific interventions to a new USAID-funded effort, as little could be accomplished in the remaining months of the life of the project. At the same time, PACE investigated using resources to help a local university strengthen public administration and policy case studies for use by students and possibly continuing civil servants. Discussions of these possibilities revealed that the case studies would most

Palestinian Authority Capacity Enhancement Project

USAID mission: West Bank and Gaza

Task Order: DFD-I-00-05-00219-00

Indefinite Quantity Contract: Building, Recovery, and Reform through Democratic Governance (BRDG) (DFD-I-00-05-00219-00)

Value of Assistance: \$30.8 million (total obligated funds as of August 2012, \$28.8 million)

Period of Performance: September 2008 through March 2013

Prime Contractor: Chemonics International Inc.

Subcontractor during FY2012: The Kaizen Company

Project Goal:

A more professional and competent public administration and civil service within the Palestinian Authority that provides more effective, efficient, and responsive services and benefits to the Palestinian people.

Project Objectives:

- Improved delivery of key services by targeted PA ministries and institutions that result in immediate tangible benefits to citizens
- Increased financial transparency and accountability by the PA in public finance management
- Enhanced and sustainable capacity of PA officials
- Strengthened public communications about, and participation in, PA decision-making

Project Tasks:

- Task 1: Short-term Capacity Building Support
- Task 2: Medium-term Capacity Building Support
- Task 3: Strengthening Public Administration Programs

likely venture into areas deemed sensitive, and the project and USAID agreed that it would be counterproductive to dictate to a local university and its professors the content of such studies. Such an attempt would reduce project and USAID credibility and potentially generate larger, unwanted political concerns. Therefore, USAID and project leadership decided that these issues were, as with improving public policy and administration education work directly with partners, best left to future USAID efforts that could dedicate sufficient time and resources to achieve an impact. With USAID approval, the funds originally programmed from these efforts have been reprogrammed into assistance to the Ministry of Higher Education, as well as expanded assistance to other ministry partners in terms of continuing to implement transformation and reform initiatives identified as part of the COE process.

In this latest work plan amendment, cross-ministerial activities with respect to the COE program are being modified based on changes in USAID implementation priorities. With the end of the project approaching, USAID has decided the best use of resources would be to focus on completing remaining activities at individual partners, including implementation of more of the reform and transformation initiatives identified during the COE process in these individual ministries.

The final section of this work plan will cover monitoring and evaluation (M&E) and administrative/project management issues.

2.0 Ministry and Agency Interventions

2.1 Ministry of Transportation

The MOT has shown a high level of commitment to improving the services it provides to the public and to implementing institutional reforms through the COE program. PACE will focus initially on six results.

Result 1. Tulkarem and Ramallah Licensing Bureaus Refurbished and Equipped (expanded, May 2012)

The MOT licensing bureau in Tulkarem is currently located in an old building dating from the pre-Oslo period, with insufficient space and customer service areas. Citizens stand outside to wait for services through small windows in the building, and there is insufficient space for each staff member to have a desk or for the head of the bureau to have a private office. To remedy this situation, the MOT has located and leased a new building on a long-term basis. The building is modern, but requires refurbishment to establish appropriate customer service areas and offices for staff. As of May 2012, PACE had completed designs, a request for proposals (RFP) process, and selected a winning contractor. Work will commence by early June 2012.

The office services more than 150,000 Palestinian citizens in Tulkarem and the surrounding villages. It currently licenses more than 7,000 cars and more than 17,000 drivers. Aside from licensing services, the bureau also has departments that license and oversee taxis, driving schools, and other transportation-related services. The office is a high priority for the ministry.

PACE will also refurbish and re-equip a new licensing bureau in Ramallah. The MOT has secured a new, larger location to establish a permanent licensing bureau in a building previously known as the "National Hotel" (*funduq al watani*). The building is owned by the government. In a major effort, PACE will refurbish citizen service areas, offices for licensing bureau personnel, a room to install automated equipment for driver's license written tests, and a room and related offices for the data center, which includes a great deal of equipment provided by USAID previously. The Ramallah licensing bureau is the largest in terms of volume of services in the West Bank. The MOT will refurbish external areas, creating a new car testing area and making other improvements.

Result 2. Driver's License Written Tests Automated Across West Bank (added May 2012)

In each of the office refurbishments conducted to date, the MOT has requested and PACE has installed computer equipment, switches, and furniture to create testing rooms that automate driver's license written (theoretical) tests. Automating the testing process speeds the licensing

process and reduces the opportunity for cheating and potential fraud. Under the expanded work plan, PACE will provide equipment to automate testing in up to seven to eight additional locations (including the two refurbished offices noted in Result 1), accounting for most of the West Bank. The work was requested as a high priority from the MOT in 2011, but placed on hold because of the lack of obligated funds.

Result 3. Second Cycle of COE Completed and Selected Transformation Initiatives Implemented (expanded May 2012)

Leading other ministries, the MOT appointed 45 new team members for the second COE cycle during the first quarter of FY2012, and PACE provided a full introductory training program to one-half of the MOT team by the end of December 2011. In the second quarter, PACE provided training to the remaining team members in district offices located in the northern and southern West Bank. With PACE coaching, MOT is utilizing experienced COE team members from the first cycle as resource persons to complete the second ministry self-assessment phase, coaching teams during the development of transformation plans, and helping with implementation of those plans. With limited PACE assistance and coaching, the MOT will complete the full second cycle of the COE program, and start implementation of targeted transformation initiatives to improve ministry governance by the end of the project. As of May 2012, the MOT COE team had completed surveys and structured interviews for the self-assessment process and was writing their self-assessment report for review and approval by MOT management. More details on the COE process are presented in Section 3.0.

Result 4. Ministry Communication with Key Stakeholders and Citizens Expanded (added, August 2012)

PACE will help the ministry produce a short film on the ministry's mission and achievements for airing on the ministry website, in the ministry lobby, and through other mechanisms. While focused on overall ministry achievements, the film will also highlight USAID's contribution. Work with MOT on the film will include technical assistance to build capacity to identify audiences, structure messages, and outline communication product content.

Result 5. Services Improved through Streamlining of Procedures and Service Guides (added, August 2012)

The new Minister of Transportation and his staff requested further business process re-engineering (BPR) support to examine and streamline key operational procedures manuals covering car and driver licensing, building on the documentation and standardization of these procedures during the project's first three years. Responding to this request, PACE will examine and work with ministry teams to streamline procedures in several key areas. Once improved and approved by ministry leadership, PACE will support the production of service guides, posters, and other communication tools to communicate improved procedures to the wider public. [Note: Previous work in this area was suspended after PACE produced "as-is procedures" due to internal personnel issues in the ministry that have since been resolved. Therefore, MOT has requested that PACE provide more assistance to streamline procedures and produce related service guides.]

Result 6. Customer Satisfaction Measurement System Institutionalized

Refer to Cross-cutting Results (Section 4.0).

2.2 Ministry of Telecommunications and Information Technology

With PACE assistance, MTIT has rebranded and re-launched Palestine Post. Building on the postal and commercial strategies developed by the project, Palestine Post has introduced new services, such as overnight and government mail, and signed partnership agreements with a range of private-sector companies, mostly in the telecommunications and IT sector. With limited funds during FY2012, PACE will focus on eight results, as follows.

Result 1. Completion of a 3-year Business Plan for Palestine Post and Implementation of High-Priority Recommendations (expanded, May 2012)

In 2009, PACE developed a commercial strategy with MTIT for Palestine Post, which then used these recommendations to introduce new services and partnerships with private-sector companies. With a new brand (also developed with PACE support), these improvements are helping Palestine Post generate additional revenue for the government. As a next step, MTIT is working to establish the legal framework needed to make the postal service a quasi-independent business unit instead of a part of the government bureaucracy. Such a transition would require Palestine Post to develop a business plan to make it financially viable. PACE will assist with the development of such a plan during FY2012, engaging short-term Palestinian business and legal experts to lead the effort with a ministry team. It will also engage a short-term expatriate consultant on a limited basis to provide guidance on standards and business practices for international postal services. After completion of the business strategy and depending on ministry commitment, PACE may provide assistance on the implementation of specific, initial initiatives. Such plans will be presented to USAID for approval before implementation. As of May 2012, the consulting team working on the business strategy had collected information on postal operations, expenses, and other factors and was analyzing data in advance of producing the draft strategy. An internal MTIT team is working in full partnership with the PACE consultants on this initiative.

Result 2. 12 New Internal Procedures Manuals Completed and Introduced

Building on skills learned during the COE program and additional coaching from the PACE business process re-engineering (BPR) team, MTIT staff members are developing written procedures manuals for 12 departments. The MTIT team completed manuals for seven departments by the end of December 2011; manuals for five departments remain. During the remainder of FY2012, PACE will provide limited coaching and mentoring for the completion of the remaining five manuals, then support their approval and implementation. At the end of the year, PACE will work with MTIT to evaluate the implementation of the new procedures and recommend corrective actions if appropriate. The five remaining departments are public relations, administrative control, licensing and oversight of telecommunication companies, licensing and oversight of frequencies and transmission, and information technology. Documenting procedures standardizes service delivery, improves internal administrative controls, increases transparency, and reduces opportunities for corruption. This result will be achieved using PACE's long-term professional staff.

Result 3. Second Cycle of COE Completed and Selected Transformation Initiatives Implemented (expanded, May 2012)

MTIT selected team members for the second COE cycle in the first quarter of FY2012. The ministry is utilizing experienced COE team members from the first cycle as resource persons to train this team,

with PACE providing coaching and mentoring. By the end of the project, MTIT will have completed the second ministry self-assessment phase and then will have developed and started the implementation of COE transformation action plans. As of May 2012, MTIT had completed training and surveys for new team members and had structured interviews for the self-assessment process. The MTIT team will complete the self-assessment report for ministry approval in June 2012. More details on the COE process are presented in Section 3.0.

Result 4. Jenin Post Office Refurbished and Equipped (added, May 2012)

Following on successful refurbishments of flagship post offices in Nablus and Bethlehem in 2010 and 2011, PACE and MTIT will refurbish and equip the post office in Jenin under this extended work plan. The Jenin post office was part of the ministry's priorities and PACE plans in summer 2011, but work was placed on hold because of lack of available funds. With the new funds, PACE will re-initiate work in Jenin, which remains a ministry priority. The new post office will complement and complete a cluster of offices refurbished with PACE assistance in Jenin, including the Ministry of Interior Civil Affairs Office, MOT Car and Driver Licensing Bureau, and Palestinian Land Authority Office.

Result 5. Long-Run Incremental Cost (LRIC) Models for Fixed and Mobile Phone Operators Developed (added, August 2012)

The MTIT set wholesale access rates for fixed and mobile operators in 2009/2010 based on international benchmarking. At the time, MTIT announced that these rates would apply only temporarily as the ministry developed its own Bottom-Up (BU), LRIC model and reassessed rates. BU-LRIC models reflect as closely as possible the structure (and hence the costs) of an efficient network if it were to be built today. These models avoid taking into account historic inefficiencies in price setting. They allow the regulatory authority more independence from operators in setting price levels, as they do not depend on access to and accuracy of costing data submitted by operators. BU-LRIC models are the regulatory standard in Europe.

Building on introductory work conducted by other USAID and donor-funded projects, PACE will engage an international firm to develop the BU-LRIC model for the West Bank, working in close partnership and transferring skills to an MTIT team during the process. The cost modeling work will include overall design of the model and training for MTIT staff. The consulting team will also produce relevant user manuals and data quality assessment tools.

Result 6. Limited Equipment to Improve Service Efficiency Provided (added, August 2012)

Responding to a request from PalPost, PACE will procure and deliver a limited amount of IT and other equipment and materials to improve services and communications. Equipment includes a limited number of computers to increase counter automation in Qalqilya, Eizariyah, and Salfit Post Offices; bar coding machines; improved signage in Nablus and Bethlehem; a cover for a special needs elevator in the Nablus post office (previously provided through PACE); fiber glass storage boxes for three existing cars; and some other small items. Total costs are not expected to exceed \$30,000.

Result 7. Ministry Communication with Key Stakeholders and Citizens Expanded (added, August 2012)

PACE will help the ministry produce a short film on the ministry's mission and achievements for airing on the ministry website, in the ministry lobby, and through other mechanisms. While focused on overall ministry achievements, the film will also highlight USAID's contribution. In requesting the film, ministry partners are showing their commitment to improving communication and transparency with the public. Work with MTIT on the film will include technical assistance to build capacity to identify audiences, structure messages, and outline communication product content.

Result 8. Institutionalization of Customer Satisfaction Measurement System Institutionalized

Refer to Cross-cutting Results (Section 4.0).

2.3 Ministry of Interior, Civil Affairs Directorate

With PACE assistance, the MOI Civil Affairs Directorate has made great strides in improving the services it provides to all Palestinian citizens in the West Bank, including the issuance of passports, identification documents, and birth and death certificates. Joint efforts have resulted in improved procedures, refurbished citizen service centers, better IT infrastructure, and increases in internal capacity and commitment to government reform. The MOI has been one of the PACE's best partners throughout the project. During FY2012 and with limited resources, PACE will focus on the following **eight** results.

Result 1. New Civil Affairs Office in Nablus Opened with Required IT Equipment and Furniture (expanded, August 2012)

During the first three years, PACE refurbished and reequipped MOI Civil Affairs Offices in Hebron, Jenin, and Jericho. The ministry is in the process of moving to a new office in Nablus, which will serve the West Bank's second largest city (after Hebron) and many surrounding towns and villages. The European Commission supplied a new building, including a citizen service area, but does not have funds allocated to supply furniture and new IT equipment to these areas. The project will procure the equipment and furniture needed to open the office during FY2012. ~~PACE will also procure rolling cabinets to improve storage of paper files at the Nablus MOI office.~~ [Note: GIZ has agreed to provide the rolling cabinets in the Nablus Civil Affairs Office.]

Result 2. Two MOI Civil Affairs Offices Refurbished and Equipped (added, May 2012)

Following on successful refurbishment and IT upgrade efforts in 2010 and 2011, PACE will refurbish two additional offices prioritized by the MOI and project team. The first is the Ramallah Civil Affairs Office. This office is located in a building rented by the ministry in Al Bira. The ministry has committed to remain in the location for an extended period and is investigating purchasing the building. The Ramallah Civil Affairs Office serves more citizens than any office in the West Bank, including thousands of Palestinian-Americans who visit during the summer months. The current office space is poorly designed and lacks air-conditioning and proper waiting areas, including proper sanitary facilities.

A second office is located in Qalqilya. It serves more than 100,000 citizens in an area underserved by project interventions. The office receives an average of 1,100 applications for services each month. The current space is poorly designed and requires refurbishment to provide proper waiting areas, sanitary facilities, and offices for civil affairs staff.

Result 3. Smaller Civil Affairs Offices Upgraded and other Minor Refurbishments Completed (expanded, May 2012)

PACE will upgrade services at two MOI Civil Affairs Offices in Yatta and Dura, both in the marginalized southern West Bank. The project will provide limited refurbishment and a new reception desk at Dura and IT upgrades in Yatta. Yatta serves 85,000 citizens and Dura serves 200,000. These two initiatives are underway, with completion expected early in the fourth quarter of FY2011. PACE will also provide minor refurbishments, a new counter, and limited equipment upgrades for a small office in the Ramallah ministry headquarter building that serves Gaza residents living in the West Bank.

As the project examines the remaining MOI Civil Affairs offices around the West Bank and depending on funding, it may recommend that USAID provide other, similar minor upgrades to front desks and office equipment to improve services. Such activities will be presented to USAID for technical approval before commencement of work or procurement efforts.

Result 4. MOI Citizen Feedback and Complaints System Launched

With PACE support, the MOI Civil Affairs Directorate has developed procedures for a system to receive and respond to complaints and suggestions from citizens. It has also appointed a director and assigned staff to the complaints department (*maktab shaqawi*). In FY2012, PACE is helping to launch the system by providing limited communications campaign assistance and equipment to the complaints department in the MOI headquarters. As of May 2012, the MOI had appointed responsible persons in each directorate office throughout the West Bank to process complaints and work with the central office on responses. The ministry had also developed messages for a communications campaign, and PACE delivered transparent complaint boxes to each Civil Affairs office in the West Bank and the central headquarters in Ramallah. A PACE subcontractor (already selected via a competitive process) will produce posters and other material with the MOI messages. The MOI will work with local television and radio for further coverage of the launch of the system. With PACE encouragement, informational materials are gender neutral and include specific messages related to services and prevention of harassment directed at women.

When fully launched, citizens will be able to express their feedback and request additional assistance and clarification through complaints boxes in MOI Civil Affairs offices throughout the West Bank, as well as via the MOI website and telephone.

Result 5. Customer Service Improved and Equipment to Speed Printing of Passports Delivered (added, May 2012)

PACE will support two more activities that will improve the overall provision of civil affairs services throughout the West Bank. In previous years, PACE provided customer service training to MOI civil affairs front desk employees using an external subcontractor. Given the high turnover rate for such employees in the past year, the MOI is planning on conducting follow-up training. Instead of engaging an external subcontractor, members of the MOI team (trained previously) will conduct the program for new employees, drawing on the materials produced previously. PACE will provide logistical and hospitality support for this program.

PACE will also upgrade and enhance the reliability of passport services by providing four additional printers (at four key locations in the West Bank). These printers will be adaptable to the eventual introduction of biometric passports. They will provide surge capacity to the ministry and act as backup printers in case the current printers require service, ensuring consistent and timely service delivery.

Result 5. Second Cycle of COE Completed and Selected Transformation Initiatives Implemented (expanded, May 2012)

MOI Civil Affairs Directorate selected team members for the second COE cycle in the first quarter of FY2012, and training was conducted in the second quarter. The ministry is utilizing experienced COE team members from the first cycle as resource persons to train the second team, with PACE providing coaching and mentoring. By the end of FY2012, MOI will have completed the second ministry self-assessment phase, and will have developed and started implementing COE transformation action plans. Subject to available resources and priorities, PACE will provide assistance on implementation of selected transformation initiatives. More details on the COE process are presented in Section 3.0.

Result 6. Ministry Communication with Key Stakeholders and Citizens Expanded (added, August 2012)

PACE will help the MOI Civil Affairs Directorate produce a short film on the ministry's mission and achievements for airing on the ministry website, in the ministry lobby, and through other mechanisms. While focused on overall ministry achievements, the film will also highlight USAID's contribution. Work with the Civil Affairs Directorate on the film will include technical assistance to build capacity to identify audiences, structure messages, and outline communication product content.

Result 7. System for Internal Audit, Modifications, and Corrective and Preventive Actions Related to Procedures Institutionalized

Refer to Cross-cutting Results (Section 4.0).

Result 8. Customer Satisfaction Measurement System Institutionalized

Refer to Cross-cutting Results (Section 4.0).

2.4 Ministry of Public Works and Housing

The focus of PACE's assistance to the MOPWH over the first three years of the project was helping the ministry create the capability to maintain and repair roads throughout the West Bank. It helped revive three dormant road repair units, which are currently working. While the PA originally budgeted raw materials to support the units in FY2011, this funding was rescinded mid-year during the PA's budget difficulties. PACE hopes that limited funding will be restored. PACE completed work with the road repair units, and does not expect to provide additional assistance in this area during FY2012. Other interventions included the development of a global information system (GIS) system for road planning, maintenance, and repair, and full participation in the COE program. The GIS system is part of the eventual creation of a full road maintenance management system. The USAID Infrastructure Office has indicated that it may provide assistance to further develop the road

maintenance management system, as well as continued assistance to the road repair units. Under this work plan, PACE will focus on the following eight results.

Result 1. Job Descriptions for Key Departments Completed and Operating Procedures for Four Departments Streamlined (added, May 2012)

The ministry COE team has been writing job descriptions for departments using templates and trainings provided by PACE. PACE will continue to provide limited technical assistance using its long-term professional team on the development of job descriptions for selected departments.

At the ministry's request, PACE will also engage a short-term consultant to review and streamline internally produced procedures manuals for key ministry departments, including but not limited to, roads, public buildings, and supervision. Process improvements will be designed to increase transparency and efficiency in the departments. Documenting and improving procedures was identified as a goal during the COE process.

In the context of implementing key recommendations from the COE process, PACE will assist the ministry with two to four additional procedures manuals in the final months of the project.

Result 2. Second Cycle of COE Completed and Selected Transformation Initiatives Implemented (expanded, May 2012)

In accordance with its approved sustainability plan, the MOPWH selected team members for the second COE cycle in the second quarter of FY2012 and conducted training for these team members with PACE assistance. The ministry is utilizing experienced COE team members from the first cycle as resource persons to train this team, with PACE providing coaching and mentoring. By the end of FY2012, MOPWH will complete the second ministry self-assessment phase, and will develop and start implementing COE transformation action plans. Subject to available resources and priorities, PACE will provide assistance to implement selected transformation initiatives. More details on the COE process are presented in Section 3.0.

Result 3. Archiving System and Procurement Capacity Strengthened (added May 2012, modified August 2012)

MOPWH manages the procurement process for all major infrastructure and government building projects in the PA. Strengthening procurement and post-award contract management is a ministry priority, as expressed by the Deputy Minister and other ministry officials. Under these work plan tasks, PACE will concentrate on strengthening the ability of selected departments to develop better tendering documents and to manage contracts after award in two key areas: road and building construction. It will also provide limited assistance to the bidding and procurement department, which serves the entire PA. Strengthening procurement capacity and procedures was also one of the findings emerging from the first cycle of the COE process. As an initial effort, PACE will concentrate on three interventions under the expanded work plan:

- Strengthen tendering document and post-award contract management capacity. Using a senior consultant with significant international experience, PACE will provide training to staff in the roads and buildings departments at the ministry, increasing their capacity to develop high quality procurement/tendering documents. It will also provide training to the

supervision department, increasing their ability to oversee contract implementation in the ministry's two main areas of responsibility (roads and public buildings). [Note: This sub-result was originally focused on the procurement and bidding department, but, as the department is slated to be separated off into a separate PA agency, PACE will leave extensive assistance to a possible follow-on project.]

- Upgrade physical archiving in the procurement and bidding department. The department receives hundreds of proposals and other documents every year. It must also catalogue and archive documentation for all stages of the procurement process. Such documents must be maintained for audit by the State Audit and Administrative Control Bureau (SAACB) and other government entities, as required by law. Currently the department has very disorganized paper archiving systems. Under this initiative, PACE will procure rolling cabinets for the department to improve file management and retention. The initiative was specifically requested as a high priority by ministry leadership and identified in the COE process.
- Introduce a pilot electronic archiving system. MOPWH would like to eventually develop a comprehensive document archiving and document management system that encompasses all departments and district offices. Introduction of such a system is a major task in terms of IT infrastructure, software licenses and customization, and changes in work processes and office culture. Experience in the PA and elsewhere suggests that such systems should be introduced in phases, starting with one or two departments, and the scaling up, based on a successful model, to the remainder of an institution. PACE will engage an external consultant to conduct a quick assessment of ministry needs, then develop the scope of work for an RFP to develop a pilot system to archive documents electronically in the Administration and Archiving Department (*Diwan*), where there is already a basic system and the "culture" of electronic document management has been partially established. The electronic archiving system will allow for the digitization of all incoming and outgoing correspondence and documents, as well as for other major work products. These documents will be coded and accessible by key staff through a searchable database. In procuring the pilot system, PACE will provide IT equipment (e.g., servers and scanners) and software that can easily be scaled up to the ministry as a whole in the future. [Note: This sub-result originally stated that PACE would chose between developing an archiving system for either the Diwan or the procurement and bidding department. After initial investigations and in light of the possible separation of the procurement and bidding department off to a separate entity, PACE concluded that the Diwan would be the best target for the pilot initiative.]

Result 4. Training Facilities Improved (added, May 2012)

After receiving PACE technical assistance to improve its training department, MOPWH has been conducting many more training programs internally using internal resources, instead of relying on donors or external training consultants. In the first cycle, COE teams noted that the ministry's internal training room was poorly equipped and designed. Under this small result, PACE will provide new computing equipment and furniture to improve the ministry training facilities.

Result 5. Ministry Communication with Key Stakeholders and Citizens Expanded (added, August 2012)

PACE will help design and procure roll-up banners and place an LCD screen in the ministry entrance to convey key messages about the ministry's commitment to citizens, mission and vision, and other key information to ministry employees, stakeholders, and citizens. The roll-up banners can also be used at public events. The initiative was originally identified during the COE process.

PACE will also help the ministry produce a short film on the ministry's mission and achievements for airing on the ministry website, in the ministry lobby, and through other mechanisms. While focused on overall ministry achievements, the film will also highlight USAID's contribution. **Work with MOPWH** on the film will include technical assistance to build capacity to identify audiences, structure messages, and outline communication product content.

Result 6. Presentation Capabilities and Skills in Branch Offices Strengthened (added, August 2012)

Based on his initial meetings with representatives from branch offices throughout the country, the new Minister of Public Works and Housing, Dr. Maher Ghaneim, requested assistance improving presentation capabilities and skills in these branch offices. As a result and after receiving USAID approval, PACE will procure presentation equipment and provide training for approximately 22 staff representing 10 branch offices throughout the West Bank.

Funds permitting and at the request of the minister, PACE will consider implementing a second training in report writing for MOPWH managers in the final months of the project.

Result 7. System for Internal Audit, Modifications, and Corrective and Preventive Actions Related to Procedures Institutionalized

Refer to Cross-cutting Results (Section 4.0).

Result 8. Customer Satisfaction Measurement System Institutionalized

Refer to Cross-cutting Results (Section 4.0).

2.5 Ministry of Finance

The MOF has been one of the project's major partners throughout project implementation, successfully improving facilities and procedures for tax collection among many other interventions. With the start of the USAID-funded Investment Climate Improvement (ICI) project in FY2011 and the continuation of the USAID-funded Trade Facilitation Project (TFP), PACE has modified its assistance to focus on institutional capacity building, leaving the more technical areas related to tax, finance, customs, and other trade-related issues to the other projects. Nonetheless, PACE will continue to coordinate with and support these USAID efforts during the coming year. It will also continue the COE program and internal organizational strengthening tasks. For the MOF, the project will focus on achieving **six** results, two of which are cross-cutting with initiatives at other ministries.

Result 1. Second Cycle of COE Completed and Selected Transformation Initiatives Implemented (expanded, May 2012)

In accordance with its approved sustainability plan, the MOF selected and trained members for the second COE cycle in the second quarter of FY2012. The ministry is utilizing experienced COE team members from the first cycle as resource persons to train this team, with PACE providing coaching and mentoring. By the end of FY2012, MOF will complete the second ministry self-assessment phase and develop and start implementing COE transformation action plans. Subject to available resources and priorities, PACE will provide assistance on the implementation of selected transformation initiatives. More details on the COE process are presented in Section 3.0.

Result 2. Two New Internal Procedures Manuals Completed and Introduced

During FY2012, PACE will provide limited coaching and mentoring on the development of operating procedures manuals for the Administrative Affairs and Public Supplies directorates. As with other BPR objectives, a ministry team will take the lead, utilizing PACE training and templates received previously.

Result 3. Bethlehem Property Tax Office Refurbished and Equipped (added, May 2012)

Pending finalization of negotiations between the MOF and a landlord on a long-term lease, PACE will refurbish and equip a new property tax office in Bethlehem. The space currently identified by the MOF will require redesign to create appropriate citizen service areas. The office serves the 180,000 residents of Bethlehem and surrounding towns and villages.

Result 4. Improve Safety and Other Infrastructure at New Property Tax Office in Ramallah (added, August 2012)

The MOF Property Tax Office in Ramallah, the main property tax office for the entire West Bank, is moving from the *Funduq Al Watany* (National Hotel) to a newly built location. As noted in the MOT section above, *Funduq Al Watany* is designated to become the new Car and Driver Licensing Bureau for Ramallah. The new property tax location lacks fire safety, sufficient lighting, and some other safety and security features. PACE will conduct a limited procurement to strengthen these facilities, resulting in improved safety and security for files, equipment, and staff.

Result 5. System for Internal Audit, Modifications, and Corrective and Preventive Actions Related to Procedures Institutionalized

Refer to Cross-cutting Results (Section 4.0).

Result 6. Institutionalization of Customer Satisfaction Measurement System

Refer to Cross-cutting Results (Section 4.0).

2.6 General Personnel Council

The head of the GPC contacted PACE at the end of FY2011 to request that PACE implement the COE initiative within the agency, in addition other technical assistance. With USAID approval, PACE will engage the council on a limited basis during FY2012, and possibly expand assistance with additional obligated funds. The GPC plays a pivotal role in civil service reform and development, and will be a strong champion of expanding the COE program across the government. For the GPC, the project will focus on the following four initial results.

Result 1. New Human Resources Policies and Procedures Adapted and Adopted by the GPC on a National Scale (added, May 2012)

In FY2012, PACE worked with its five ministry partners to develop new human resources (HR) policies and procedures based on current law and administrative orders. New manuals covered topics such as job descriptions and personnel evaluation, recruitment and training of new employees, and performance incentives. PACE will “scale up” this initiative to the level of the government as a whole by working with the GPC, reviewing and adapting the initial policies and procedures, and facilitating public meetings with ministry representatives and HR managers throughout the government. As of May 2012, the GPC had completed the initial review of the manuals facilitated by a PACE short-term advisor. Based on these discussions, some manuals may be combined, and others adapted to match recent GPC priorities and developments. Subject to need, specialists will be engaged for manual finalization, prior to the introduction of the manuals to other ministries and stakeholders in a consultative process.

Result 2. First Cycle of COE Completed

As noted above, GPC has requested to participate in the COE program. The Prime Minister has also appointed the GPC as a member of the National Steering Committee (NSC) for the COE program. Using the long-term professional team and experienced COE team members from other ministry partners, PACE is providing orientation, training, and coaching to the GPC through the entire first COE cycle, including team selection, training and development of self-assessment reports, and the development of transformation action plans. As of May 2012, the PACE and the GPC had selected and trained the COE team, and the team was conducting the self-assessment process. Subject to available resources and priorities, PACE will provide assistance with the implementation of selected transformation initiatives. More details on the COE process are presented in Section 3.0.

Result 3. Procedures for Six GBC Directorates Documented and Streamlined (added, May 2012)

The GPC has requested assistance developing procedures manuals to document work and work flow throughout the organization. To start this process, the GPC and PACE have selected the six most key directorates: civil servant affairs, recruitment, functional planning, telecommunications and IT, legal affairs, and administrative affairs. Using templates and systems developed by PACE for use with other ministry partners, the PACE team and a short-term consultant will coach ministry teams in procedures development and provide recommendations to streamline processes.

Result 4. GPC Communication with Key Stakeholders and Citizens Expanded (added, August 2012)

PACE will help by placing an LCD screen in the GPC entrance to convey key messages about the council’s commitment to citizens, mission and vision, and other key information to council employees, stakeholders, and citizens. The initiative was identified during the COE process.

2.7 Higher Judicial Council

Under this work plan, PACE will conduct one joint activity with the USAID-funded Palestinian Justice Enhancement Program (PJEP) to improve court services.

Result 1. Ramallah Conciliation Court Refurbished and Equipped (added, May 2012)

In a joint initiative with PJEP, PACE will refurbish the conciliation court in Ramallah. The court is the busiest in the West Bank, handling traffic fines, misdemeanors, and small claims. The current facility is very poorly organized and crowded. The redesign will dramatically improve citizen services and satisfaction. PJEP will cover the costs of architects and engineers, as well as procurement of furniture and IT equipment, including a queuing system. PACE will contract for and oversee the refurbishment work.

3.0 Cross-cutting Centers of Excellence Results

With PACE assistance, all five ministry partners conducted graduation ceremonies for the first COE cycle in September and October 2011. Prime Minister Salam Fayyed led the ceremonies for MOPWH and MOF. Deputy Minister of Interior Hassan Alawi, (now former) Minister of Transportation Saadi Al Kruz, and (now former) Minister of Telecommunication and Information Technology Mashhour Abu Dakka chaired the other two ceremonies. All of the senior leadership and team members expressed their commitment to continue the COE program as a key part of internal ministry operations and main driver of institutional reform. Beyond the 60 reform initiatives implemented by the COE teams in partner ministries, the commitment to continued government reform and service improvement, led by Palestinian civil servants, is the main achievement of this initiative.

In parallel to the graduation ceremonies for the first round of the COE program, partner ministries selected team members for the second round of the COE program. Following PACE recommendations and institutionalization plans, each ministry advertised the program to the entire ministry and then used an objective process to select new team members. By the end of May 2012, new COE teams were selected and trained at MTIT, MOT, MOI, MOF, MOPWH, and the GPC.

PACE also helped create a “resource group” drawn from previous COE team members to support the implementation of the second and future cycles of COE. In the future, resource team members may also support the roll-out of COE to participating ministries and government institutions.

During the remainder of FY2012, PACE will focus on the following **four** results.

Result 1. Strategic Plan for the Expansion of the COE Program

To create synergies among COE leaders from various ministries, PACE will provide technical assistance and facilitation for the development of a three-year strategic vision and plan. The strategic plan will include a vision, objectives, and a comprehensive action plan with identified objectives, tasks, responsibilities, timeline, estimated budget, and indicators and outputs for each phase.

Result 2. Training and Other Skills of COE Resource Team Members Strengthened

Members of the COE “resource team” have volunteered to assist with the training of new COE team members in their own ministries, as well as in new ministry and institutional partners. As a step toward strengthening the skills of the resource team, PACE will an introductory training-of-trainers program to resource team members.

4.0 Cross-Cutting Results Areas

To the extent possible, PACE will continue to coordinate technical assistance interventions across ministries in common areas, maximizing the effective and efficient use of limited resources. There are four major cross-cutting results in this work plan, described as follows.

Result 1. System for Internal Audit, Modifications, and Corrective and Preventive Actions Related to Procedures Developed and Institutionalized

During the first quarter of FY2012, the PACE BPR team conducted an initial set of workshops and drafted procedures for the institutionalization of internal audit, modifications, and corrective and preventive actions related to procedures. These “high-level” procedures are essential for the institutionalization of new business processes on a sustainable basis. The work complements systems for reviewing, modifying, and auditing new procedures at the MOF and MOI, also developed previously. During the remainder of FY2012, the PACE long-term professional team will facilitate combined workshops with the MOF, MOPWH, and MOI to finalize these procedures and systems and train ministry personnel in their implementation.

Result 2. Customer Satisfaction Measurement Systems Institutionalized

In FY2011, PACE worked with its ministry partners to develop and test systems for measuring customer satisfaction. Each of the ministries conducted an initial survey of customers using the methods and training developed with the PACE team. During FY2012, PACE will help the ministries review indicators after the first iteration of the surveys, develop internal mechanisms to ensure results are reported and addressed, modify survey instruments, and conduct the second round of customer satisfaction surveys and analysis. As with the first round, a majority of the work will be conducted by ministry employees. PACE may engage interns to assist ministry teams with data collection, as well as a mid-level statistician to provide training on data analysis. Institutionalizing systems for measuring customer/citizen satisfaction will help ministries quantitatively measure service performance and identify areas for improvement.

Result 3. Training provided to Financial and Non-Financial Staff and Leadership (added October 2012)

During the COE process, all institutional partners identified two needs for increased capacity in financial reporting and management: training for financial staff in preparing regular financial reports and training for non-financial staff (primarily managers) in reading and understanding financial reports so that they can better manage staff and resources. Using a local consultant, PACE will provide training in these two topics during the final months of the project.

5.0 Integrating Gender Across Project Components

With the receipt of additional obligated funds, PACE will further integrate attention to gender equality across project components. As a first result and as required by a recent contract amendment, it produced and delivered a gender strategy in September and October 2011. The strategy considered gender equality and gender equity initiatives related to both the provision of government services and within the civil service. In FY2012 and 2013, it will implement some of the

gender strategy's recommendations at target institutions, establishing a base for future USAID efforts.

A number of recommendations from the strategy are already being integrated across the project, including:

- Ensuring that all new refurbishment projects have suitable and separate toilet facilities for both men and women (both employees and citizens). PACE will also investigate whether previously refurbished facilities require improved signage on toilet facilities.
- Including gender questions in the self-assessment methodology for the COE program. PACE will work with ministry teams to ensure that gender equity and quality are considered when developing transformation initiatives under the COE sustainability plans. In reviewing the COE Guidebook with a working group appointed by the NSC later in the year, PACE will engage a gender consultant to formally integrate gender equity as a dimension of the self-assessment process and transformation initiative planning.
- The GPC gender unit has been engaged in reviewing and adapting key human resources manuals related to job classification, training and on-boarding of new employees, and incentives.
- New communications and awareness campaigns, such as the campaign promoting the newly created MOI/Civil Affairs complaints system, are being designed so as to be gender-neutral and address, as appropriate, gender differences in their messaging.

For the remaining life of the project, PACE proposes to engage in further gender integration results as follows.

Result 1. Assessment and Recommendations on Gender Equality in the Provision of Key Services Completed (added May 2012, modified August 2012)

Working with ministry teams at the MOI and MOT trained in Section 4.0, Result 2, and ministry gender units, PACE will engage a subcontractor through a competitive process to conduct a survey, focus groups, and analysis to determine to what extent there are differences between the sexes in experiences and perceptions related to access to civil affairs and car and drivers' licensing. The survey efforts will be

augmented by a limited number of structured case studies of individual experiences to better understand gender dynamics and differences between the sexes in access to and perceptions of government services. The study will also examine whether there are other differences by geographical location (e.g., urban/rural) and socio-economic status (e.g., income level, level of education, and age). The findings of the assessment will be presented to ministry working groups to develop strategies for improving gender equity in the provision of services (see Result 2).

Consensus on the Need for Better Information on Gender and Access to Government Services

A draft study commissioned by the Local Aid Coordination Structure (LACS) and UN Women found consensus among both PA and donor representatives in focus groups that "we, as actors in the Local Aid Coordination Structure, want to create equal access to state services, so that men and women can help themselves." The draft study and the PA's *Cross-Sectoral National Gender Strategy* also recommend additional efforts to mainstream gender in government operations and services, as well as the development of gender sensitive indicators and data disaggregated by gender. PACE's research indicates that, while there have been studies of gender and access to education and health services, there have not been similar studies on access to other government services, such as civil affairs, **property tax**, and car and driver licensing.

Result 2. Gender Assessment and Mainstreaming Plan Developed in One to Two Pilot Ministries (added May 2012, modified August 2012)

Working with UN Women under the framework of the Cross-Sectoral National Gender Strategy, the Ministry of Women's Affairs has been helping pilot ministries to conduct gender audits and integrate gender concerns and issues into their planning process. To conduct gender audits, they have identified and trained a group of government and NGO professionals. These gender audits and mainstreaming plans have not been conducted in any of PACE's ministry partners to date. In the remaining life of the project, PACE will work with one or two pilot ministries, chosen based on commitment. A PACE subcontractor will help the ministry gender unit conduct a gender audit, engaging ministry leadership and representatives from all ministry departments. Based on the results of the audit, the team will examine procedures and methods for mainstreaming gender across ministry operations, including planning, budgeting, and other key areas. The activity will culminate in recommendations on how gender could be better mainstreamed in internal policies and procedures. Through the process, key officials from across the ministry will learn the basics of gender analysis as it applies to government institutions and the provision of government services. The pilot ministry will also emerge with concrete plans and strategies for better gender integration, developed by ministry personnel. PACE will ensure to coordinate the approach with MOWA and UN Women efforts to avoid duplication of effort and contribute to a PA-wide initiative.

6.0 Strengthening the Ministry of Higher Education (added, August 2012)

After receiving final approval from USAID, PACE will provide limited assistance to the newly created Ministry of Higher Education to support the creation of a strategy for the ministry or other related institutional development work. These activities will be developed in close coordination with the USAID Democracy and Governance and Education Offices, and implemented in partnership with the USAID-funded Palestinian Faculty Development program. PACE will focus on three interventions:

- Technical assistance to improve accreditation procedures for degrees in the Palestinian university system, as well as to transfer knowledge and skills to the new ministry team in this area.
- Technical assistance to improve the strategic plan for the ministry and identify areas for possible reorganization.
- Procurement support to improve the citizen service areas in the ministry headquarters, including light refurbishment, furniture, and equipment. PACE will also provide limited equipment to improve the functioning of the minister's office and overall ministry IT capacity.

7.0 Programmatic and Administrative Management

7.1 Management and Staffing Overview

With limited funds, PACE has searched for ways to operate more efficiently with fewer staff members. The project is generating savings by sharing office space and financial and administrative staff with the USAID-funded ICI project. It is also leveraging staff members trained previously at

partner institutions, for example COE resource persons at partner ministries, to lead training for new team members, and ministry staff trained in procedures and job description development to take the lead in such tasks during the coming year. An organizational chart for the extension period is included on the next page.

7.2 Monitoring and Evaluation

With some changes in direction and limited funds, indicators and targets will be reviewed directly after submission of this work plan. PACE will work with USAID to review the need and budget for commissioning a third series of surveys of citizen service centers for the Performance Management Plan (PMP) system during the remaining life of the project (most likely in the September through December period). PACE will link this survey work to that conducted by ministries under cross-cutting Result 2, potentially eliminating the need for a costly external survey.

7.3 Project Communications

PACE will continue to supply regular updates on project activities in weekly and quarterly reports. Under the direction of the shared IT and multimedia manager, it will also produce a series of video success stories throughout the year. Instead of engaging a full time reporting specialist, PACE will make strategic use of short-term resources to produce success stories and support the COP in other USAID mandatory reporting functions. As part of the cross-cutting ministry video process, PACE will also produce and/or update a short video on overall achievements over the life of the project. This video will be included in the interactive final report as an introduction.

Finally, before the project received additional funding, the project produced an interactive report on the first three years of project operations, which was made available via USB drives, in paper form, and online. It will be updated and expanded to reflect end-of-project results, and then re-released as the project comes to a close.

7.4 Case Studies on PACE's Contribution to Improved Governance (added, August 2012)

Working closely with USAID, PACE will design and implement one or two case studies to capture the impact of the project in terms of wider, internationally accepted for good governance. PACE originally planned case studies in FY2011, but funding limitations forced this task to be cancelled. The studies will be completed by the end of the project in March 2013. PACE will present a plan for the study(ies), including scope, methodology, and proposed consultants to USAID for approval before this activity is started.

7.4 Home-office Backstopping and Quality Assurance

The three-person Chemonics home-office project management team will continue to provide quality project backstopping and support throughout the year. To conserve funds, PACE has limited the number and length of home-office visits to three: a supervisory and oversight visit by the home office director; end-of-project close out and final conference visit by the home-office manager, associate, and director; and a close-out field accounting visit. As most close-out work was completed in December 2012, Chemonics does not foresee the need to provision for lengthy close-out visits at the end of project implementation.

PACE Organizational Chart

