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**WEST BANK/GAZA**

# Compete Project Monthly Report

April 1, 2013 – April 30, 2013

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# COMPETE PROJECT MONTHLY REPORT

April 1, 2013 – April 30, 2013

DAI

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The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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## ACRONYMS AND ABBREVIATIONS

AHA	Arab Hotels Association
B2B	Business to Business
CEO	Chief Executive Officer
COP	Chief of Party
CHS	Certified Hospitality Supervisor
EU	European Union
FY2	Fiscal Year 2 (USAID Compete)
Geo-MIS	Geographical Management Information System
GLOBALGAP	Global Good Agricultural Practice
HCCI	Hebron Chamber of Commerce and Industry
HLITOA	Holy Land Incoming Tour Operators Association
ICT	Information and Communications Technology
IOS	Internet Operating System
MBA	Masters of Business Administration
M&E	Monitoring and Evaluation
MEPS	Middle East Payment Services
MIT	Massachusetts Institute of Technology
MoA	Ministry of Agriculture
MoTA	Ministry of Tourism and Antiquities
MoU	Memorandum of
NSFT	National Association for the Specialty Food Trade
PCARD	Palestinian Center for Agricultural Research & Development
PITA	Palestine Information Technology Association
PMEP	Performance Monitoring and Evaluation Plan
PPIS	Plant Protection Inspection Service
PPSQ	Plant Protection Safety and Quality
PSI	Palestine Standards Institute
RFQ	Request for Quotations
SME's	Small and Medium Enterprises
SOW	Scope of Work
UNIDO	United Nations Industrial Development Organization
USAID	United States Agency For International Development
USDA	U.S. Department for Agriculture
USMAC	US Market Access

## KEY ACCOMPLISHMENTS

- USAID Compete worked closely with Stone & Marble producers and venue organizers to prepare for the *Coverings* Trade Show in Atlanta this month. The trade show included a “Stone from the Holy Land” exhibit complete with stone samples from Palestinian quarries.
- Compete’s ICT team signed three grants this month to expand support for new business and skill-enhancing activities across the sector.
- In partnership with Tourism stakeholders, USAID Compete is rolling out the new Palestinian Hotel Classification System through a series of workshops and meetings with the Joint Committee.
- This month Compete’s Agribusiness team brought together stakeholders from a cross-section of the Palestinian agriculture industry to introduce the idea of a “Commercial Hub” in Dubai to lead business in the region.

## SUMMARY OF PROGRESS BY SECTOR

### AGRIBUSINESS

#### Summary of Activities

*Dubai Commercial Hub:* This month the project organized a workshop with 23 members of the agribusiness community to share feedback and lessons learned from participation in recent trade shows supported by USAID Compete. During the April 8 workshop the agribusiness team presented a new idea: setting up a marketing and distribution center (“Commercial Hub”) in Dubai to lead business in the region. As a result of workshop discussions, three companies will join USAID Compete to develop a full feasibility and investment plan to determine the correct legal structure, location, cost and investment required to set up an efficient Commercial Hub.

*Access to water initiatives:* On April 24 the Compete project team, USAID Mission Director Michael Harvey, representatives of various USAID departments and Quartet representatives toured three sites in Jericho and Nablus Governorates. During the visit the Minister of Agriculture explained the support needed to implement three projects to improve ground water resources. Specific initiatives include the transmission of treated wastewater from Al Bireh treatment plant to Al Auja agricultural lands; a new dam in Al Faraa’; and construction of a water conveying system from Froush Beit Dajan to Al Jiftlik.

Building on this, on April 30 the Agribusiness team met with the Agriculture and Economics Officers from the Israeli Civil Administration. They discussed USAID projects that include the reuse of wastewater and the installation of water pipes in Area C.<sup>1</sup> USAID access to water interventions aim to assist farmers in the Jordan Valley to address water shortage issues through environmentally sustainable initiatives.



**Compete team, USAID Mission Director Mike Harvey, *Top Field* employees and Mowfaq Darahgmeh, Al Buqia Plains, April 24**

*Packaging and Labeling – Starpack 2013:* For the first time a group of Palestinian students participated in a regional competition for product packaging design. StarPack 2013 is a competition organized by the Lebanese Center for Packaging “LibanPack.” The competition aims to develop packaging design skills and to link academic institutions to private sector companies. Through an agreement between USAID Compete and the PFIU, this year Palestinian students from two universities submitted 17 designs to StarPack 2013. Salem Da’our, an industrial engineering student from Gaza, won the third place. LibanPack invited Mr. Da’our and a representative from the PFIU to attend and participate in the StarPack 2013 ceremony on April 23, 2013.

### **Milestones**

- Presented and highlighted the idea of establishing a “Commercial Hub” in Dubai; three companies agreed to join USAID Compete to develop a full feasibility and investment plan and the best legal structure of the proposed hub;
- Regional competition for product packaging design followed by StarPack ceremony;
- Study tour to three sites in the West Bank to investigate how to improve ground water resources, followed by a meeting with the Agriculture and Economics Officers from the Israeli Civil Administration.

### **Lessons Learned**

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<sup>1</sup> Area C denotes one of the administrative divisions in the West Bank. Under the agreements between Israel and the Palestinians, Israel has full civil and security control over Area C.

*Agriculture in Area C* - In order to ensure timely implementation of agriculture activities in Area C, USAID coordination between the Israeli Civil Administration and Palestinian Authority stakeholders is essential. Discussions should take place at the inception phase of the activity to ensure permits and other processes are timely.

## **TOURISM**

### **Summary of Activities**

*Hospitality School working group:* In April the Tourism team organized a working group of public, private and educational stakeholders, AHA, HLITOA, MOTA and Bethlehem University, to discuss cooperation and ways to establish a modern hospitality school service. This working group forms the basis of a genuine partnership between active stakeholders in the Tourism sector. Work in April and in the coming months centers on building consensus on next steps to develop the hospitality school – including location, curriculum and more.

*Site renovation:* Taybeh, Burquin, Hisham’s Palace, Bethany and Sabastiya were selected as priority sites for phase one of the site renovation activity. This month DAI tourism expert Miguel Baca conducted site visits along with the tourism team to assess future tourism interventions in Nablus, Tubas, Jenin and Hebron. The team is also investigating possible interventions on Wadi Al Qelt and Mar Saba trails and conducted site visits in April to assess.

*Hotel classification workshops:* USAID Compete is raising awareness about new Palestinian hotel classification standards through a series of workshops. These workshops provide an overview of hotel standards as outlined in the Hotel Classification Manual as well as the processes for hotel owners who might want to ameliorate their star rating, once awarded. The first workshop took place this month in Jerusalem with H.E. Ms. Rula Maayeh, Minister of Tourism and Antiquities, representatives from AHA and HLITOA, hotel owners and investors.

### **Milestones**

- Organized Hospitality School Working Group;
- DAI expert assessed future tourism interventions in 4 sites across the West Bank;
- Conducted 3 hotel classification awareness workshops;
- RFP placed in local newspapers for vendors to undertake the civic map activity.

### **Lessons Learned**

Developing partnerships with individual tour operators within HLITOA who have new initiatives and are willing to take risks developing new products for the market are critical.

## ICT

### Summary of Activities

*USAID Compete grants with ASAL-INTEL, Art Tech and I-Connect* – This month the ICT team expanded cooperation with local and international partners through three grants designed to stimulate future employment and innovation in the Palestinian IT sector:

- *Art Tech* – in April the project signed a Grant Agreement with Palestinian Company *Art Tech* to support a software development project with an Israeli health care company. *Art Tech* designed two niche applications for mental health (e.g. “brain gain.”) The company will soon be given the rights to sell their product in the Gulf region.
- *I-Connect* – This grant will facilitate three projects related to healthcare IT as well as software consulting for e-commerce services for Arab-speaking customers.
- *ASAL-Intel* – The grant between USAID Compete and ASAL-Intel (Israel) supports the expansion of Palestinian firm ASAL’s current contract with Intel and involves QA testing for Intel products; six new employees will be hired as a result of this contract extension.

*Jordan market study* – This month the ICT team travelled to Jordan for meetings regarding the gaming industry. After a review of Amman’s game development lab and corresponding market impacts, the team discussed ways to best introduce this concept into the Palestinian Territories. The ICT team also met with a business accelerator run by *MENA Apps* to discuss best practices and opportunities to adapt this for the Palestinian market.

*ICT & Tourism*: The Facebook Leaderboard application is one example of efforts to diffuse ICT capabilities in the Tourism sector. Leaderboard is an online tool that will aggregate all Facebook information on specific tourism sites. This month the application was technically completed and HLITOA staff, who will ultimately manage the site, received training. The team is now completing the MoU with HLITOA and expects the site to launch over the summer.

### Milestones

- Grant signed with Art Tech;
- Grant signed with ASAL-Intel;
- Grant signed with I-Connect;
- Study tour in Jordan to introduce the gaming concept into the West Bank;
- Facebook Leaderboard application was technically completed followed by training to HLITOA staff.

### Lessons Learned

*Content Creation Workshop* – the workshop was designed for the tourism industry to demonstrate best practices for content creation. While this activity was fully geared for tourism professionals, along the way the team discovered that certain aspects were important to IT website developers. The workshop delivered high-value concepts needed in the process

of developing sites, such as content management. The team subsequently advertised the workshop to the ICT sector and has received positive feedback.

## STONE AND MARBLE

### Summary of Activities

Coverings Trade Show (Atlanta, Georgia, April 29 - May 2) – The project devoted considerable efforts this month to preparations for the *Coverings* Trade Show in Atlanta, including booth preparations, stone samples, promotional materials and more. Four companies were supported: *Al-Waleed Group*, *Verona Group*, *Asia Jerusalem Stone*, *Lamar Marketing Company* and *Levant Marketing Company*. Each company presented specific product samples from their quarries. Pending further analysis by Compete’s M&E team, early outcomes from the trade show are positive: collectively there were an initial 100-140 business leads as a result of *Coverings*. The trade show was a unique for participating Palestinian firms to make new market linkages with American and South American buyers.



USAID Compete team and participants at the Coverings Trade Show, April 2013, Atlanta

*Filter press maintenance:* The final evaluation of all filter presses across the West Bank showed that 75 sites require maintenance or upgrading. This month the team signed a contract with *Lamar Import and Marketing* for the maintenance of 23 filter press machines in the Hebron Industrial Zone. Work is already underway and maintenance is expected to begin in late May. The second phase of the program will address filter presses across the West Bank.

### Milestones

- Successful participation at Coverings Trade Show;
- Contract with Lamar Import and Marketing for Filter Press maintenance.

## Lessons Learned

At the Coverings Trade Show there were several lessons learned, particularly from other presenters. The Stone and Marble team needs to spend more time assessing the target market and conducting research on current trends. Other pre-show preparations are also essential such as price lists, converting measurements from the metric to imperial systems when necessary, buyer research as well as organizing B2B meetings. It is also important that Palestinian firms showcase finished tiles or decorative items versus only raw samples; evidently, finished products are very attractive to U.S. buyers.

## CROSS-CUTTING INDICATORS

USAID Compete works across the Agribusiness, Tourism, ICT and Stone & Marble sectors to find opportunities to encourage gender equality and support youth innovation.<sup>2</sup> The following section highlights project activities this month with a youth and gender impact.

### GENDER & YOUTH

In the month of April USAID Compete sectors held skill-building trainings and workshops across the West Bank:

- The agribusiness team continues to share the results of the Olive Oil rollout with members of the agriculture community; in April, 90 participants attended the workshops, including 6 females and 8 youths.
- The Agribusiness team organized a tradeshow follow-up workshop this month for participants at *Gulfood* and *Fruit Logistica* to discuss outcomes and lessons learned as well as to introduce plans for a Commercial Hub in Dubai. A total of 24 people attended the workshop, including one female and one youth.
- Hotel Classification workshops took place this month in Bethlehem and Jericho with 25 participants, including 4 females and 3 youths.
- The ICT team's Content Creation Workshop on April 30 had a total of 18 participants, including 4 females and 6 youths.

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<sup>2</sup> Defined by USAID as aged 14 to 29

## USAID COMPETE CALENDAR APRIL 2013

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24 USAID Field visit to Auja & Buqaa Plains	25 Investor / Owners Hotel Classification Workshop	26	27
28	29 Coverings Trade Show	30 Coverings Trade Show  Content Creation workshop				