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WEST BANK/GAZA

Compete Project Monthly Report

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COMPETE PROJECT MONTHLY REPORT

October 1, 2012 - October 31, 2012

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ACRONYMS AND ABBREVIATIONS

AHA	Arab Hotels Association
B2B	Business to Business
CIBER	Competitiveness Impact of Business Environment Reform
COP	Chief of Party
DQA	Data Quality Assessment
EU	European Union
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
M&E	Monitoring and Evaluation
MoA	Ministry of Agriculture
MoTA	Ministry of Tourism and Antiquities
MoU	Memorandum of Understanding
NSFT	National Association for the Specialty Food Trade
PCARD	Palestinian Center for Agricultural Research & Development
PDF	Portable Document Format
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
Y2	Year 2 (Compete Project)

KEY ACCOMPLISHMENTS

- Continuing to build partnerships to support a vibrant private sector during October, USAID Compete celebrated the signing of a Memorandum of Understanding (MoU) between USAID and the Ministry of Agriculture (MoA) and separately a Compete (DAI) agreement with the Hebron Chamber of Commerce and Industry (HCCI)
- USAID Compete Agribusiness team conducted a comprehensive assessment of Aquaculture farming in the West Bank to determine possible interventions.
- In collaboration with the Arab Hotel Association (AHA) with the support of the Holy Land Incoming Tour Operators Association (HILTOA) USAID Compete finalized a plan for a series of in-service training that will be implemented jointly with the American Hotel and Lodging Association.
- The official opening of the Apple iOs Center of Excellence took place on October 4, 2012 in the presence of Mike Harvey, USAID/WBG Mission Director that has received technical assistance and financial support from USAID Compete in partnership with Infinite tires Inc.

SUMMARY OF PROGRESS BY SECTOR

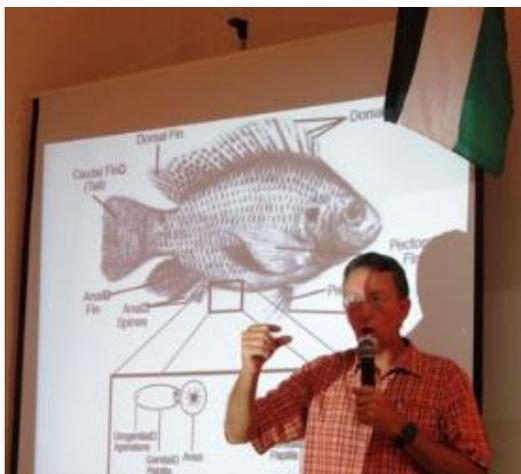
AGRIBUSINESS

Summary of Activities

Aquaculture Assessment: USAID Compete provided support to several fish farming companies via an international aquaculture specialist. Dr. John Hargreaves conducted a comprehensive assessment of aquaculture farming in the West Bank, including visits to a fish hatchery, feed mill and fish market in Jericho, Nablus, Qalqiliya and Jenin, in addition to fish farms in Israel. The aim of the assessment was to raise awareness on the topic of Aquaculture and to enhance future productivity in this practice. Meetings with key personnel from the MoA also took place to address local needs and identify ways of assisting fish farmers through innovative practices like aquaponics.

“Without this training, we would have never realized the solutions for large number of problems we normally face. The training enabled us to learn new techniques that will improve our business” Nehaya Sabri, Engineer, Al Sabee nursery.

On October 16th the project organized a workshop in Jericho for aquaculture stakeholders. Seventeen participants, including farming entrepreneurs and MoA staff from the Department of Fisheries discussed various issues such as brood stock management, measuring oxygen, feed guidelines, and operation maintenance with Dr. Hargreaves.



Dr. Hargreaves during the workshop in Jericho

MOU Signing ceremony (October 10): In appreciation of the importance of the MoA's involvement to guarantee the success of various project activities a MoU was signed between USAID and the MoA during a brief ceremony at the Movenpick Hotel in Ramallah. The celebration was attended by H.E Eng. Waleed Assaf, Minister of Agriculture, and Michael Harvey, USAID Mission Director, in addition to a number of officials and media representatives.

In his address, Mr. Assaf expressed sincere thanks for USAID's generous support of the Ministry and the Palestinian Agriculture sector. USAID's Michael Harvey also affirmed that this cooperation is a clear demonstration of the strength of the strategic partnership between USAID and the Ministry: *"I believe this partnership will be of great strategic and economic benefit to the Palestinians."*

During the ceremony Mr. Imad Kamhawi, USAID Compete's Agriculture Production Expert, delivered a presentation about the project's interventions in the Agriculture sector. The presentation highlighted the main activities that will be implemented through the life of the project in cooperation with the MoA, with the ultimate aim of transforming the Palestinian Agriculture sector to compete in global markets.



USAID's Michael Harvey and MofA's H.E Eng. Waleed Assaf signing the MOU

Upgrading of Nurseries' Facilities – Grafting training: As part of the project's efforts to embed new technologies, the project enlisted an international consultant to deliver a grafting training for three Palestinian nurseries. The 24 male and female participants represented seeds companies, nurseries growers and MoA extension services agents.

The training was conducted by Dr. Richard Hassel, plant propagation expert from Clemson University, and aimed to enable Palestinian nurseries to comply with Global GAP, improve the quality of their seedlings and meet local market demand from Palestinian farmers, providing a substitute to their imports of over 10,000,000 plants a year. Both practical and theoretical lessons were provided for the trainees as they were able to learn about grafting methods for melon, water melon, cucumber, tomatoes, in addition to rootstock germination and preparation for scion seedlings.



Participants at the grafting training

"At this training we didn't only learn about grafting, we were taught how to use the tools we have, this is what led us to new ways of thinking. Now I believe that if it is done right we can easily compete." Diab Abu Al Rub, Owner of Atta Abu Al Rub Nursery.

Milestones

- With the aim of increasing investments, a successful implementation of the first phase of the aquaculture assessment took place.
- The characteristics of the relationship between USAID Compete and the MoA were set through the signing of the MOU.
- Increased technical and economic knowledge about grafting through the training that was delivered by international Consultant Dr. Richard Hassel.

Lessons Learned

A key lesson learned is that stakeholders and partners of USAID Compete activities often move quickly from project to project and consequently do not always take the time to evaluate the lessons learned. To ensure efficiencies over time and development of best practices, it is essential to set the stages of cooperation early on to guarantee the right implementation and follow up on certain projects.

TOURISM

Summary of Activities

Hotel Classification (HC): Continuing to implement the HC action plan, the Joint Committee developed the Hotel Quality Standards (HQS), beginning with finalizing the plans and materials that will be used for pilot testing. Pilot testing entails visits to 5 or 6 hotels in the West Bank to apply the HQS measurement by members from the committee during the month of November.

Preparation and planning is now underway for the Hotel Classification launch event (December 12, 2012), which will include representatives of MoTA, Palestinian hotels, the tour operators, guides and all related stakeholders. The draft of the Hotel Classification Standards manual (currently being finalized in English and Arabic) will be distributed at the launch event.

The assessors training program also is scheduled for launch during November with the first assessment due to start by Q1 2013. This month 25 assessors and trainers were recruited.

Site Renovation: The site renovation team, along with an Environmental Consultant, completed five site visits during the first week of October: Hisham's Palace, Town of Taybeh, Birqin Church and Village, Sabastiya and Bethany. The visits were arranged for several reasons:

- Help the technical team to become familiar with those five main sites, their locations and surroundings;
- Discuss the proposed interventions within each site with the local stakeholders;
- Observe the environmental conditions on the ground;
- Explore any environmental sensitivity or site-specific concerns that could be an obstacle throughout the rehabilitation process.

A meeting was conducted with USAID's environmental team to discuss the types of interventions, community involvement within the rehabilitation process and the procedures of the assessment. The results of these discussions were positive as the team concluded that no serious environmental impacts were found and cooperation from all related parties and stakeholders is guaranteed. As a result, Environmental Consultant Nazih Bandak was able to develop an environmental and monitoring plan template that will be used by the technical team of the project. An environmental documentation form was also developed to help the team avoid any environmental impacts that might be generated after installing the directional signs in Bethlehem.

Bethlehem Signage Project: A primary meeting was conducted this month between USAID Compete, BCCI and MoTA to further discuss the plan, mobilize all the stakeholders to ensure their full support and commitment. An additional meeting took place at the beginning of the month with USAID Compete and the Mayors of seven Municipalities (Bethlehem, Beit Jala, Beit Sahour, Al Khader, Artas, Batteer, Al Ebedyah), along a representative of the Traffic Police of the region. The aim of the meeting was to introduce the project and to define the work plan. Next steps are for the Municipality to assign an Engineer to work with the technical team and also submit a list of locations for the signage. Since the meetings, 5 out of the 7 sites were visited by the BCCI, USAID Compete and the Traffic Police to designate the locations of the signs and to agree on the text of each sign. Findings of the visits were sent to

MoTA; initially they approved the plan for 4 sites (Al Khader, Ertas, Batteera and Al Ebedye) and work will be undertaken after finalizing the procurement process.

Hospitality School, in-service training: A plan for a series of in-service training was finalized this month and is expected to be implemented jointly with the American Hotel and Lodging Association. The final plan includes the dates of the trainings. Details as follows:

- 25 participants will be part of train the trainers training that will take place in December;
- Training for 20 hotel supervisors will be conducted during January;
- 675 line staff (reception, house-keeping and food & beverage) will be trained during February and March 2013.

Trails: A concept paper was submitted by Abraham's Path Initiative for the development of one existing and one new trail. The first trail covers Jenin to Nablus, and the second covers Nablus to Hebron, estimated at 60km total area with around 8 communities. The paper envisages a number of activities aimed at engaging local communities and building their capacities. It is expected to have multiple benefits, including new employment opportunities for the local communities and for women in particular.

Specialized Guide Training: Guides for visiting tourists have an important and multifaceted role in contemporary tourism. A specialized guide training was provided to the project by Bethlehem University. The training covers network of walking trails in the West Bank and will be part of the vocational training program that USAID Compete/Abraham's Path Initiative and partners plan to establish in cooperation with Bethlehem University and MoTA. This training program is expected to cover topics such as the history of the Holy Land, geography, principles of eco-tourism, first aid and principles of trekking (cultural exchange models and group dynamics.) An additional short module in social media for tourism will be included in the program.

To move ahead with guide training, a meeting was held between Abraham's Path Initiative and MoTA during which MoTA was committed to nominate a team in the coming weeks to proceed with the process of licensing the guides. A training plan for MoTA staff and institutionalization of Licensing of Specialized Guides by MoTA was also developed and agreed upon.

Milestones

- Finalized plans and materials for Hotel Quality Standards piloting.
- Conducted Environmental Assessment for the main sites of the site renovation plan.
- Plans in place to implement a specialized Guide Training as part of the Hospitality School activity.

Lessons Learned

After working closely with different stakeholders, the tourism team has a better understanding of similar activities being undertaken between our stakeholders and their partners/other donors; this ensures USAID Compete avoids potential conflict in activities and is aware of any obstacles to reaching the desired positive impact.

ICT

Summary of Activities

Partner Development Program (PDP): Last month, USAID Compete reached remarkable agreements between Microsoft, Oracle and Jordanian Partners, which will contribute to the overall success of the PDP. As part of the plan to strengthen the current network of Microsoft and Oracle partners through designing more capacity building sub-activities with the cooperation of Oracle Middle East, the project held a meeting with two CEO's of two Jordanian companies: JBS and Optimiza. The best approaches for building alliances between Palestinian Oracle partners and Jordanian counterparts were discussed. As a result of these discussions, the representatives of JBS and Optimiza showed great interest in working with Palestinian counterparts. Also in October, the project held a meeting with Mr. Ashraf Arafeh, GM of Cisco Levant, to discuss possible ways of enrolling Cisco as a Tier-1 vendor in the PDP in addition to Microsoft and Oracle.

"The training enabled us to learn from an international expert in an interactive way, share our ideas and experiences and know more about new developers gear"

- **Hothayfa Afana, Trainee.**

Mini MBA Program: The ICT team is diligently following up on the recruiting process for the candidates that will be part of the Mini MBA Program. Leveraging PITA, Peeks and ITSIG mailing lists, the project conducted an online survey to recruit Palestinian IT companies and received 90 applications: 25 companies are in software development and at least 10 are new start-ups. It is anticipated that approximately 43 applications will be selected based on the capacity of the class. Expected program launch date is January 2013.

iOS Opening: As mobile continues its ascent in IT, USAID Compete has funded the establishment of the Apple iOS Development Center of Excellence, in partnership with Infinite tires Inc. The official opening of the center took place on October 4, 2012 in Nablus with the attendance of USAID Mission Director Michael Harvey, CEO of Infinite Tiers Inc. Dr. Husam Barqawi, in addition to a number of representatives from the local community, academic institutions and media.

"In the iOS center, I learned how to analyze a project and break it up into tasks. I have also enhanced my communications skills, and became a better team player. Additionally, I now feel more comfortable at writing documentations for other team members to reference" Shadi Awwad, a new Employee at the center

The training center in Nablus will serve a base of students, entrepreneurs and IT graduates with the objective of creating a pool of Palestinian mobile technology experts. The center will also work collaboratively with local universities to alter the IT curriculum to include agile technologies like Apple applications.

A tour of the center took place during which attendees were introduced to the newly hired team. At the end of the ceremony, the team proudly displayed their new applications that were developed and released by the center: "iCalendar" (currently ranked as one of the top apps on the Apple app store) Wallpaper Maker, and the Utilities Plus.



USAID Mission Director Michael Harvey and one of the new employees cutting the ribbon to announce the opening of the iOS Center

PalDev Days: A training workshop for software developers working in Microsoft was held in Ramallah from October 20-21, 2012. The workshop was organized by ABB Matrix Company, with financial support from USAID Compete and ASAL Technologies. The training was tailored for software developers working in Microsoft domain. International speaker Matthieu Mezil led interactive sessions presenting new technologies for the developers. The Microsoft PalDev event attracted 32 participants from Palestinian universities and IT companies. This event reflects the cooperative and collaborative work between the project and other local partners to support the Palestinian IT sector.

Milestones

- Opening of the first Excellence Center in Nablus.
- Supporting local initiatives to help the Palestinian IT sector.
- Signed a grant agreement with H+W Mena for setting up a Cloud Resource Center for Salesforce.

Lessons Learned

Supporting Events like PalDev will have a great impact along the way. What was unique about this event is that it was organized by developers who are continuously seeking to keep their competency in Microsoft programming subjects up-to-date. This type of two day workshop guarantees the team is increasing their skills in new technologies and strengthens the competency of the partner's initiatives.

STONE AND MARBLE

Summary of Activities

Filter Press: In a phased rollout, USAID Compete is now focused on working with local partners to fix and upgrade the 67 filter presses identified in the first phase of the evaluation, starting from the Hebron industrial zone and moving across the West Bank. Further planning

and collaboration is underway with the Union of Stone and Marble to expedite the vetting process of potential beneficiaries.

Sludge New Product development: As part of the project's efforts to solve the 'sludge' environmental challenge and create new opportunities for industry stakeholders and other potential investors, work in October was undertaken to prepare a scope of work for local sub-contract partners to deliver sludge new product pre-feasibility studies. Team is working closely with potential investors and international sludge experts to support the industry with sludge new product development.

Field visit to Yatta Sludge Disposal site: A contingent headed by Mr. John Crifield, PEO Director for USAID, and the Stone and Marble Union conducted a field visit to the Yatta Slurry/Sludge Disposal Site to look at current sludge disposal practices and the environmental hazard it is creating. The disposal site is a temporary solution to solve the problems raised by the slurry and sludge coming out of the Hebron industrial zone.



Field visit to Yatta sludge disposal site

Dubai Trade Show (November 4-8): This month the Stone & Marble team focused on preparations and planning for the Big 5 tradeshow in Dubai, taking place in November. The project will provide support to two marketing companies for the event: Next Step for Trade and Investment, a newly established marketing company that will represent second tier stone and marble producers, and Verona Marketing Group, who will represent up to 8 stone producers. In Y2, building and strengthening group marketing in the Stone & Marble sector will be a key activity for the project.

MOU signing ceremony: On October 23rd USAID Compete and the Hebron Chamber of Commerce and Industry (HCCI) celebrated the signing of the MoU during a ceremony that took place at the HCCI office. The ceremony was attended by the USAID Mission Director Michael Harvey, Eng. Mohammad Ghazi Herbawi, Chairman of the HCCI Board, HCCI board members and USAID Compete staff.

“Coming and working together is a progress. I believe that this relationship will lead us to a great success” Eng. Mohammad Herbawi, Chairman of the HCCI Board.

By signing this MOU, USAID Compete forms the basis of a close long-term partnership with HCCI. HCCI is considered to be the strongest association representing the private sector in the Hebron area. Both HCCI and USAID declared that through this MOU they are taking steps

towards achieving their goals of supporting the Governorate of Hebron to contribute to the socially responsible, sustainable development in the governorate.

Through the project's support, the HCCI will implement its E-Chambers program to transform all its internal operations and delivery of services to electronic processing for improved efficiency, effectiveness and for more environmentally friendly operations.



Signing of the MoU with between USAID and the HCCI.

Milestones

- Signing MOU with HCCI.

Lessons Learned

Preparing for the participation of two marketing companies in the Dubai 5 Big Trade Show provided key lessons for the team who will be providing similar support in the future:

- Team has gained new insights on USAID branding requirements for trade shows, such as the specific branding for booths.
- Team realized the importance of being closely involved when planning for the participation of the group marketing companies at international trade shows. Compete can play an important role as part of the selection and development of booth design, display and branding quality.
- Communications between the Group marketing company representative and the companies represented should take place in advance so they can avoid any unforeseen obstacles.

UPCOMING EVENTS AND IMPORTANT MEETINGS

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
				<ul style="list-style-type: none"> • Signage Committee meeting (BCCI & MOTA) 		<ul style="list-style-type: none"> • Dubai Big 5 Trade Show • Field Visit in Jordan – Sludge processing factory • Field Trip to Bethlehem for signage
4	5	6	7	8	9	10
<ul style="list-style-type: none"> • Dubai Big 5 Trade Show • PFIU Workshop/Lebanon Pack Trip 	<ul style="list-style-type: none"> • Dubai Big 5 Trade Show • Hotel Classification Pilot inspection testing on 6 hotels • Burqin Church RFP Evaluation • In-Service Training Plan Meeting 	<ul style="list-style-type: none"> • Dubai Big 5 Trade Show • Hotel Classification Pilot Inspection • Photography Evaluation 	<ul style="list-style-type: none"> • Dubai Big 5 Trade Show • Hotel Classification Joint committee meeting • Contract signed with PITA 	<ul style="list-style-type: none"> • Dubai Big 5 Trade Show • ICT - USAID visit to Tel Aviv University – Mini-MBA program • Jordan Field Visit/ Sludge Processing Plant 		
11	12	13	14	15	16	17
<ul style="list-style-type: none"> • Meeting in Amman with MEPS & Master Card for payment gateway 	<ul style="list-style-type: none"> • Sowing demo plot for carrots, contract farming/Al Salam 	<ul style="list-style-type: none"> • Field trip for signage (Bethlehem & Beit Sahour) • Signing Grant Agreement with ASAL for Microsoft Research & Development Program 				<ul style="list-style-type: none"> • Holiday Bazaar Tel Aviv. Ag & Tourism promotion of products and trials
18	19	20	21	22	23	24
<ul style="list-style-type: none"> • Hotel Classification assessors training • Fresh Herbs Organization workshop (non for profit) company-TBC 	<ul style="list-style-type: none"> • Hotel Classification assessors training 	<ul style="list-style-type: none"> • Hotel Classification assessors training • Potato field visit and lunch with USAID 	<ul style="list-style-type: none"> • (tentative) meeting with Black and Veatch • Meeting with Union of Stone and Marble • Hotel Classification assessors training 	<ul style="list-style-type: none"> • Hotel Classification assessors training 		

<p style="text-align: right;">25</p> <ul style="list-style-type: none"> Oracle Training Start-TBC 	<p style="text-align: right;">26</p> <ul style="list-style-type: none"> (Continue) Meetings with stone producer will continue – filter press program and vetting (tentative) Fresh herbs Organization workshop 	<p style="text-align: right;">27</p>	<p style="text-align: right;">28</p> <p>Meeting with Black and Veatch in Hebron, sludge coordination</p>	<p style="text-align: right;">29</p> <ul style="list-style-type: none"> Second Hi-Tech Hub Event 	<p style="text-align: right;">30</p>	
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December

- TBA – MoU signing for In-Service Hospitality Training AHA
- Train the Trainer program 10 December (25 trained and committed to deliver training throughout Jan/Feb/March)
- Hotel Classification Assessors Graduation
- Hotel Classification Launch 12 December, 2012
- In-Service Training Launch 12 December, 2012
- TBC – Mission Libanpack/PFIU/Compete 1st December, 2012
- TBC – Workshop Incoterms regulation & Export procedure (12/3/2012)