



**USAID** | **WEST BANK/GAZA**  
FROM THE AMERICAN PEOPLE

# Compete Project Quarterly Report

April 1, 2013 – June 30, 2013

**July 2013**

This publication was produced for review by the United States Agency for International Development.  
It was prepared by DAI

# COMPETE PROJECT QUARTERLY REPORT

April 1, 2013 – June 30, 2013

DAI

Contract Number: AID-294-C-12-00001

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.

# TABLE OF CONTENTS

<b>TABLE OF CONTENTS.....</b>	<b>3</b>
<b>ACRONYMS AND ABBREVIATIONS .....</b>	<b>4</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>5</b>
<b>KEY ACCOMPLISHMENTS .....</b>	<b>8</b>
<i>PROJECT HIGHLIGHTS.....</i>	<i>12</i>
<b>UPDATE ON COMPONENT B .....</b>	<b>2</b>
<b>COMMUNICATIONS AND OUTREACH.....</b>	<b>4</b>
<b>SUMMARY OF PROGRESS BY SECTOR .....</b>	<b>5</b>
<i>AGRIBUSINESS.....</i>	<i>5</i>
<i>TOURISM.....</i>	<i>12</i>
<i>ICT.....</i>	<i>17</i>
<i>STONE AND MARBLE.....</i>	<i>22</i>
<b>SUMMARY OF PROGRESS TOWARD INDICATORS .....</b>	<b>26</b>
<b>CROSS-CUTTING INDICATORS .....</b>	<b>33</b>
<b>M&amp;E ACCOMPLISHMENTS .....</b>	<b>34</b>
<b>SUBCONTRACTS AND GRANTS .....</b>	<b>35</b>
<b>ISSUES THAT MAY INHIBIT OR ENHANCE PERFORMANCE .....</b>	<b>36</b>
<i>Vetting.....</i>	<i>36</i>
<b>LEVEL OF EFFORT CHART.....</b>	<b>39</b>
<b>ANNEXES .....</b>	<b>40</b>
<i>Annex 1: Media Monitoring Report.....</i>	<i>40</i>
<i>Annex 2: SUMMARY OF PROGRESS BY SECTOR CUMULATIVE ARCHIVE .....</i>	<i>41</i>
<i>AGRIBUSINESS.....</i>	<i>41</i>
<i>TOURISM.....</i>	<i>50</i>
<i>ICT .....</i>	<i>58</i>
<i>STONE AND MARBLE.....</i>	<i>63</i>

## ACRONYMS AND ABBREVIATIONS

<b>AHA</b>	Arab Hotels Association
<b>B2B</b>	Business to Business
<b>CIBER</b>	Competitiveness Impact of Business Environment Reform
<b>COP</b>	Chief of Party
<b>DQA</b>	Data Quality Assessment
<b>EU</b>	European Union
<b>FY1</b>	Fiscal Year One of the USAID Compete Project
<b>FY2</b>	Fiscal Year Two of the USAID Compete Project
<b>Geo-MIS</b>	Geographical Management Information System
<b>GLOBALGAP</b>	Global Good Agricultural Practice
<b>HLITOA</b>	Holy Land Incoming Tour Operators Association
<b>ICT</b>	Information and Communications Technology
<b>iOS</b>	Internet Operating System
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MoA</b>	Ministry of Agriculture
<b>MoTA</b>	Ministry of Tourism and Antiquities
<b>MoU</b>	Memorandum of Understanding
<b>NSFT</b>	National Association for Specialty Food Trade
<b>PCARD</b>	Palestinian Center for Agricultural Research & Development
<b>PITA</b>	Palestine Information Technology Association
<b>PMEP</b>	Performance Monitoring and Evaluation Plan
<b>PPIS</b>	Plant Protection Inspection Service
<b>PPSQ</b>	Plant Protection safety and Quality
<b>PSI</b>	Palestine Standards Institute
<b>FY2/Q3</b>	Third quarter of USAID Compete Project Fiscal Year 2013
<b>RFP</b>	Request For Proposal
<b>RFQ</b>	Request for Quotations
<b>SME's</b>	Small and Medium Enterprises
<b>SOW</b>	Scope of Work
<b>TAMIS</b>	Technical and Administrative Management Information System
<b>USAID</b>	United States Agency for International Development
<b>USDA</b>	United States Department for Agriculture

## EXECUTIVE SUMMARY

This quarterly report details progress by indicators, achievements and key lessons learned of USAID Compete for the period of April 1 to June 30, 2013. In its third quarter the project continues on its journey to facilitate rapid expansion of growth within Agribusiness, Tourism, ICT and Stone & Marble sectors of the Palestinian economy with continued achievements to increase Palestinian exports through firm-level participation at international trade shows, attaining international product and service standards, and expanding job skills with groundbreaking educational programs.

At this stage in the life cycle of the project the USAID Compete team can discern positive patterns of response from beneficiaries cluster around three critical themes:

### **Encouraging Innovation:**

- Dubai Commercial Hub – described below is an exciting innovation which sees the leading Palestinian agribusiness firms joining together to investigate and invest in the establishment of dedicated warehousing and distribution services to grow sales in the lucrative Dubai and surrounding GCC markets.
- Stone & Marble – the filter press program leading to possible new products is a Compete innovation to turn an environmental problem into a commercial opportunity! Working closely with leading members of the Stone and Marble Union, key local service and equipment suppliers, and Palestinian economic consultants with links to academia and leading stone research centers in Italy, the project has launched a feasibility study on the commercial opportunities of utilizing stone slurry/cake as the raw material for products ranging from building materials, to cement, to the pharmaceutical industry.
- Tapping the Palestinian Diaspora – to encourage investment in innovative ICT initiatives is an encouraging venture working through the Palestinian IT Association (PITA) to reach out to first to the Palestinian-American community and later to the extensive business community in the GCC area.
- Gaming Labs – following a successful meeting with Ziad Al Masri, CEO Maysalward – Jordan, USAID Compete has engaged senior DAI staff to help develop a strategic investment and market development plan to support the nascent gaming industry.
- Arabreneur Angel Investor/Seed Fund – highlighted in the sections below is but the latest evidence of regional/international investor interest to tap into the growing availability of young, tech savvy Palestinian entrepreneurs who can make a competitive difference in the highly contested Arab IT market.

The above is merely a partial list of project activities that pushes forward the boundary from enterprise support to enterprise innovation.

### **Growing Exports from the Palestinian Territories** (new products also are leading to new exports)

- Contract Farming – first introduced in the Palestinian Territories by USAID Compete at the end of the 2012 harvest season linking the Al Salem processing factory (Hebron) with innovative commercial farmers of the northern Tubas region (new red potatoes and carrots), the venture has now expanded with exports to Jordanian processor, as well as possibilities for other new products/forward contracts to Russia

and Jordan. Contract farming combines security of supply to the processors with contracted price predictability to producers that helps manage risks throughout the supply/value chain.

- Food Safety – non-tariff barrier or export market opportunity? Compete is working with leading farmers and producers to leverage new food safety rules to attain Global Gap and ISO 22000 certification that helps increase agricultural production and exports through better production and post-harvest practices (insect nets, increased use of treated waste water, combining irrigation and fertilization with traceability, etc.) to meet or exceed technical regulations such as the new FDA and Congressionally mandated food import regime in the United States.
- Trade Shows / Exhibitions – when approached with strong guiding principles from Compete trade show participation can go well beyond a time-bound opportunity to transact sales. Well-briefed and disciplined Palestinian firms, in particular the Stone & Marble industry at the USA Coverings and Dubai Big 5 Trade Shows, and leading agribusinesses exhibiting at the New York Fancy Food and Tel Aviv Agro Moshav shows are exposed to and competing with leading-edge firms who constantly update their production and marketing offer to grow exports. This type of on-the-job and in-market experience is far more valuable than traditional “how to” training in export development.

### Setting and Meeting Standards

- Hotel classification and In-Service training programs are key examples of USAID Compete facilitating the development of Palestinian standards benchmarked to international norms and supplying training to improve services in order to meet the standards demanded by customers. This holistic approach during the quarter (Q3) included:
  - Organizing three regional awareness workshops to introduce the new hotel classification standards throughout the Palestinian Territories, reaching all segments of the hotel industry.
  - Signed a grant with Arab Hotel Association (AHA) to raise the capacity of hotel classification assessors in a real time PPP with public and private officials.
  - The Joint Committee (Public – Private) launched the Hotel Classification star rating process for all hotels in the West Bank; to date 27 hotels have completed the 1st self-assessment phase of the classifications program;
  - Supporting development of Hotel Service and Quality Standards – assisting hotels to raise standards and hiring the appropriate number of staff to meet newly introduced hotel classification requirements.
  - USAID Compete is working with **Diyafa**, a highly regarded Palestinian hospitality consultancy firm, to implement a training program for hospitality service employees in hotels across the West Bank using the curriculum of the American Hotel and Lodging Educational Institute (AHLA-EI).
- Improving compliance with international food packing standards: GLOBALGAP (Global Good Agriculture Practices), BRC (British Retail Consortium) and ISO22000 (Food Safety), using Integrated Pest Management (IPM). USAID Compete continued during Q3 to press ahead with willing enterprises to reach the “export ready” requirements throughout the agro-food values chains:

- Facilitated the contract signed with Jasmine Co. to implement Global Gap. They began implementing GG in June 2013.
- Supported the training of 168 fresh herb workers from Jannet Adan and Thimar to adopt Integrated Pest Management (IPM), ensuring USDA compliance on pest infestation controls.
- Upgrading packing line of West Bank Salt Company – supporting Palestinian producer of Dead Sea gourmet salt to meet international quality food packaging standards and access new international markets by meeting US-FDA and high-end importers food safety and labeling standards.

This summary is merely a snippet on USAID Compete third quarter patterns of development engagement from nearly 70 sub-activities currently being implemented by the project. Further information on project highlights, implementation details, progress toward meaningful indicators including critical challenges, as well as financial expenditure information is contained in the remaining sections of this report.

## KEY ACCOMPLISHMENTS

**BUILDING DIASPORA LINKAGES:** Compete is working to engage the Palestinian diaspora to provide support, mentoring and investment for local ICT firms. The activity's online platform has been re-branded "GloPal" and has already reached 100 members. The Palestine Information Technology Association (PITA) completed its first mission to the U.S. in December and the next is planned for November 2013. This quarter PITA selected a New York based company to facilitate meetings with 12 Palestinian companies and potential American counterparts during the upcoming trade mission in November 2013.

**JORDAN MARKET STUDY:** In April the ICT team travelled to Jordan to learn about the innovative Game Labs established in Jordan. Game Labs provide a space for gamers to explore new games and to build their own skills. Capacity building is provided not only in technical programming, but also on innovative graphic design and storytelling. The success of this model in Jordan provides an excellent example for the establishment of a Gaming Lab in the Palestinian territories, an opportunity that the ICT team is currently exploring. 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. This meeting led to the establishment of the angel investor/seed fund for Arabreneur (see project highlights for details).

**USAID COMPETE GRANTS WITH ASAL-INTEL, ART TECH AND I-CONNECT:** 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.
- *IConnect* – This grant will facilitate two projects focused on information management systems in healthcare, as well as a project involving software for e-commerce services for Arab-speaking customers. The grant from USAID compete supports the skill development of iConnect employees in order to increase better meet the needs of clients.
- *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 quality assurance testing for Intel products; six new employees will be hired as a result of this contract extension.

### USAID COMPETE SUPPORT DRIVES ICT EXPORTS

With the support of a USAID Compete Grant, local Palestinian company –ProGineer – increased their sales by 13.24% . ProGineer provides integration services, installing software for factories and companies that require it. Compete is supporting further research & development for ProGineer that should allow them to increase their market potential.

**HOTEL CLASSIFICATION RATING BEGINS:** At the beginning of June the Hotel Classification Joint Committee launched its Hotel Classification Star Rating process for all hotels in the West Bank. Qualified assessors conducted visits to 12 hotels within the reporting period. The Ritz Hotel was the first hotel to be classified, and was awarded a 3-star rating (see highlights for a detailed report). Assessors will be returning to the hotels in the upcoming quarter to award the official ratings and are also continuing to visit more hotels. USAID Compete continues to spread awareness for the new system through workshops and training;

this quarter the project added workshops for hotel owners and investors, giving an overview of the new Palestinian Hotel Classification System and implementation over the next year.

**HERITAGE SITE RENOVATION:** Based on the lesson learned in the last quarterly report, the Tourism team has adopted a “destination approach” that is based on how tourists and the local community interact with the sites. This approach takes into consideration both main attractions in an area and smaller ones, as well as the services and facilities available for tourists, such as site interpretation, gift shops, public washroom facilities, restaurants, hotels, signage, etc. The advantage of the destination approach vs. site-specific renovation is that it ensures locally effective investments and business opportunities are considered. USAID Compete is working closely with local tour operators and community Heritage and Tourism Committees to anchor the “destination approach” in a dynamic PPP effort in the tourism sector.

Taybeh, Burqin, Hisham’s Palace, Bethany and Sabastiya remain priority sites for phase one of the project’s site renovation activities. In April, DAI Tourism expert Miguel Baca conducted site visits along with the Compete tourism team to assess future tourism interventions in Nablus, Tubas, Jenin and Hebron, as well as the Wadi Al Qelt and Mar Saba Trails.

- **Direction Signs for Sites:** Ready Systems Ltd. our local service provider finished the design and production of the signs. Work has begun to install the signs in Burqin, Sabastiya, Taybeh and Bethany.
- **Civic maps project:** USAID Compete received and reviewed the design layout of the civic maps, which show the location of tourist sites and services and is requesting several changes to finalize and approve the layout.
- **Burqin:** In May the Tourism team conducted pre-bid visits to the Burqin Church complex with contractors bidding on the construction of new water tanks, electrical cabling and water pipes. Environmental concerns were also addressed on a separate visit with USAID representatives. The final design and RFP for renovation of the sewage system was completed; the winning company is currently undergoing the vetting process.
- **Hisham’s Palace:** Midmac a local Palestinian engineering firm was selected as the design company for the museum project and is working in partnership with the University of Chicago Oriental Institute and MoTA on research, data collection the analysis and development of the message and experience “story” as well as the selection of display material and artifacts for the new museum.

**DUBAI COMMERCIAL HUB:** This quarter 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. 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.

**MAJOR CONTRACT FARMING SUCCESS WITH NEW PRODUCT: *Top Field* Red Potatoes**—On June 26 a contract was signed between Top Field Co. and Al Forat Co., two companies supported by USAID Compete, and a major Jordanian supplier of potatoes, Al Ashqar Company. Six thousand metric tonnes of Red Desiree potatoes valued over \$2 Million will be delivered to the Jordanian factory (more details in project highlight below). This new forward contract builds on the 1500 MT of red potatoes that were exported to Al Ashqar Co. in May. To support the introduction of a new product the Compete team supervised the equipment, inputs and other growing techniques to ensure sustainable and high quality crops.



**DRIVING EXPORT GROWTH IN AGRIBUSINESS:** USAID Compete supports a number of initiatives to increase agricultural yields as a way to boost exports. In this quarter remarkable success was noted for two of these ventures. USAID Compete distributed over 300,000 m<sup>2</sup> of insect nets to thirteen fresh herbs growers on a cost-sharing basis. These nets enabled the growers to comply with market demand and with USDA requirements. An economic analysis shows that the insect nets can increase herb production by more than ½ metric ton per dunum. On another front, supplementary irrigation of olive trees has resulted in approximately 30 L more olive oil per dunum. In the previous quarter, USAID Compete supported trainings and workshops on supplementary irrigation for Palestinian farmers.

**An economic analysis shows that using insect nets increased fresh herb production by 30 %, and olive oil production increased by 55 % as a result of irrigation.**

**TRADE SHOW EFFECTIVENESS:** Another successful networking opportunity through the Agro Mashov trade show in Tel Aviv resulted in enabling the Palestinian company – Harvest – supported by USAID Compete to establish contacts and enter into pre-negotiation contracts to supply potatoes, specifically to the Russian market. The show also offered a unique opportunity to gain a complete overview of the latest trends in machinery and packaging equipment vital to Palestinian Agriculture development and competitiveness.

**LAUNCH OF THE NEW FITLER PRESS PROGRAM:** USAID Compete officially launched the New Filter Press Program to an audience of representatives from USAID and the U.S. Consulate General office, the Hebron Governor, members of the Union of Stone and Marble and a number of stone producers. The ceremony took place at the Hebron Governorate Headquarters and included the signing of a MOU between Compete and 31 Stone producers from the Hebron Industrial Zone, Yatta and Samou to start the process for the requisition of a new filter press. Filter presses are a critical part of stone production, as they capture stone residue, properly dispose of the excess, recycle industrial water and ultimately transform the slurry into dry sludge.



Filter Press activity launch, Hebron, May 2013

**COVERINGS TRADE SHOW** (Atlanta, Georgia, April 29 - May 2): USAID Compete supported three Palestinian firms to attend *Coverings* in Atlanta this spring: *Al-Waleed Group*, *Verona Group*, *Asia Jerusalem Stone* and *Levant Marketing Company*. Each company presented specific product samples from their quarries in a “Stone from the Holy Land” booth featuring all Palestinian stone. The trade show was a unique opportunity for participating Palestinian firms to make new market linkages with American and South American buyers. Early outcomes from the trade show were positive: collectively there were an initial 100-140 business leads as a result of *Coverings*. An analysis by Compete’s M&E team reports that total exports after the trade shows for the participating companies reached US\$6,432,362



*Our participation at Coverings was an eye opener and an important experience that will help us tremendously on many levels. From a business perspective, the potential business opportunities that were developed will be rewarding in the near future. Learning and understanding the U.S. market is a valuable tool that we will use to build upon our business model and strategy. We are very appreciative to the USAID Compete Project for their continuous support*

- Najib Nasser, Art of Carved Stone

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

**FILTER PRESS MAINTENANCE:** In FY1, a final evaluation of all filter presses across the West Bank revealed that 75 sites required maintenance or upgrading. After the RFP process, the project signed a contract with *Lamar Import and Marketing Co* who will undertake the maintenance of 23 filter presses in the Hebron Industrial Zone (HIZ). Phase two of the Filter Press Maintenance activity includes companies outside of HIZ and is currently in the procurement phase.

**PRE-FEASIBILITY STUDY FOR NEW PRODUCTS:** USAID Compete will help businesses to seize the economic value of dry sludge, which, because of its clay-like makeup, presents opportunities for developing new products such as blocks, artificial stone, gypsum boards,

building materials and processed calcium carbonate, which feeds into many industries. Compete has contracted a local firm *Expo Works Plus* to conduct a pre-feasibility study to investigate all of the potential industry gains. A kick off meeting for this activity took place in June between USAID's Compete team and *Expo WorksPlus* to discuss methodology, processes and cooperation going forward. Compete has also enlisted the support of an Italian stone expert to provide expertise on the study along the way.

## **PROJECT HIGHLIGHTS**

This section contains highlights from select USAID Compete activities during the period of April 1, 2013 to June 30, 2013.

## QUARTERLY HIGHLIGHTS – TECH TUESDAYS & ARABRENEUR



The Tech Tuesday meeting in Ramallah.

**“Palestinian entrepreneurs need help in bringing their company concept to market. We believe that the seed fund will accelerate this process and support local companies to get to market faster”**

- **Mustafa Deeb, USAID  
Compete ICT Sector lead**

Every other Tuesday morning in Ramallah a group of up-and-coming Palestinian entrepreneurs, techies, and investors meet to discuss new ideas, how to build an entrepreneurial ecosystem, and the challenges they face: “We have Palestinian talent, but we are all thinking technically—we need to think marketing,” said one participant on June 25, as the group listened to VP of Business Development at *Mena Apps*, Radi El Fassed, talk about the recently launched Arabreneur Fund. The Arabreneur Angel Investor/Seed Fund, supported by USAID’s Compete Project in partnership with Dawlieh Investment, is aimed at supporting young Palestinian entrepreneurs to grow startups, spurring employment and fostering an environment of creativity.

The group identified the need for more mentorship from established entrepreneurs and investors to bridge the gap between ideas and marketing products. The Arabreneur Seed Fund, which will officially launch July 15, 2013, aims to do exactly that. Geared towards start-ups that have already developed their idea into a product, Arabreneur will provide entrepreneurs with investment, facilities, and mentors to get their product to market. “The idea of the seed fund,” said El Fassed, “is to create an investment culture in the country. We hope that Arabreneur will act as a catalyst for further investment by creating a regional platform.” Arabreneur already supports 15 businesses in Jordan and is also planning to expand to Tunisia and Morocco, drawing in regional investment.

The *Arabreneur* fund is unique because it supports young Palestinian entrepreneurs to grow startups, spurring employment and fostering an environment of creativity. The entrepreneurs will be provided with capital investment, first-class facilities, and guidance from seasoned mentors in locations across the Palestinian Territories and other locations in the MENA region including Jordan and Dubai, to grow and accelerate their companies. In the first year the program will support a minimum of 10 startups resulting in 50 – 100 new jobs in the emerging Palestinian ICT sector. Investment per start-up will be in the range of \$50,000-150,000 USD, covering a gap that currently exists between incubator funds and VC.

The Arabreneur Angel Investor/Seed Fund is supported by USAID’s Compete project which aims to strengthen the competitiveness and export potential of key sectors in the Palestinian economy.

## QUARTERLY HIGHLIGHTS – A MAJOR CONTRACT FARMING SUCCESS



Freshly picked potatoes from Palestinian producer Top Field Co.

**“Through this product we seek to expand agricultural areas, diversify products, and introduce new products such as red potatoes, where there is high demand in the global market. We’re going to increase the production and export for guava, almonds, avocados, seedless grapes and watermelons. We are working on the introduction of other products like mangos and kiwis”**  
- Ghassan Al Jamal, USAID

Previously imported from external markets, red potatoes are now grown by Palestinian farmers in the village of Kefir and have gained substantial export-led success through contract farming. USAID Compete supported Top Field will produce 6,000 tons of red potatoes to be exported to the Jordanian market.

Contract Farming entails a long-term partnership between agribusiness and farmers in which both parties benefit equally. Typically, the producer will agree to provide a set quantity of a specific product, meeting the standards and delivery schedule of the buyer. It has served as an effective way to raise small and medium farmers’ incomes as smaller farmers are able to get a share of the profits. About forty farm families work with Top Field Co. to produce the red potatoes. This type of forward contract enables these farmers to better predict their income for the year and protects them from market instability.

On June 26 a signing ceremony took place in Amman to ratify a contract between *Top Field Co.* and *Al Forat Co.*, two companies supported by USAID Compete, and the main Jordanian supplier of potatoes to the processing industry. 6000 MT of Red Desiree potatoes valued over \$2 Million will start to be delivered immediately to the Jordanian Factory. USAID Compete, the Palestinian Minister of Agriculture and his Jordanian counterpart Dr. Hazem Al Naser as well as local industry and media attended this noteworthy ceremony. Dr. Hazem will also facilitate import entry to Jordan for future products coming from the West Bank such as Guava, Carrots and other fresh commodities.

Introducing new agricultural products with producers in the Palestinian territories opens up new market opportunities and enables the producers to be more competitive in the export market. While white potatoes are traditional in the Palestinian diet, red potatoes are known to make some of the best french-fries and are highly desired by food processing companies because they freeze well. By producing red potatoes, Palestinian producers were able to fill a gap in the food processing chain.

## QUARTERLY HIGHLIGHTS – SEEING STARS AT PALESTINIAN HOTELS



**Issa Dahdal , General Manager of the Ritz Hotel, in his office in Jerusalem**

Born and raised in Jerusalem, Issa Dahdal came into his career in the hospitality industry somewhat unintentionally: “While I was completing my business degree in the U.S., I was also managing a 5-star restaurant,” says Dahdal. “I excelled at restaurant management so the owner told me to go and learn the fundamentals of the hospitality and service industry; shortly after, I enrolled at Golden Gate University in Hotel Management.”

After a 14-year absence, Dahdal returned to his hometown of Jerusalem for a visit and realized it was time for him to move home. Since 2000 Dahdal held several positions in the Palestinian tourism sector and from 2007 to present he has been the General Manager of the Ritz Hotel, a mid-sized hotel in the heart of East Jerusalem. Today, Dahdal is proud that the Ritz received the *Trip Advisor Award of Excellence*: “We’ve made changes in our hotel that are a direct result of skills training and new standards born out of the “Let the stars guide you” system and Compete workshops. Our service has become more attentive – reflected in Trip Advisor comments – and we’ve added new room features to meet the standards of a 3-star hotel.”

USAID Compete recently supported the creation and launch of the new Palestinian Hotel Classification System, a joint private/public initiative that introduces a degree of consistency and standards previously lacking in Palestinian hotels. Dahdal participates in all levels of the new system – as a member of the Joint Committee, a trainer, and as a beneficiary of the comprehensive training for Palestinian hotel employees: “The In-service training delivered by Compete had a great impact on my staff. People who have worked in the industry for a long time needed a refresher and newer employees needed comprehensive training.”

Recognizing social media as an opportunity to connect with clients, Dahdal has a designated employee to review and address all *Trip Advisor* comments and complaints: “The Digital Marketing seminar delivered by Compete was a real eye-opener for us – it highlighted how essential it is to interact with guests after their experience.”

So what’s next for Issa Dahdal and the Ritz? “It’s encouraging that Compete is working closely with service providers like AHA and Diyafa. We still lack expertise at the General Manager level in Palestinian hotels so I’m eager to see continued skill development in the hospitality industry that will build a pipeline of future hospitality leaders.”

## UPDATE ON COMPONENT B

Component B is a core part of the Compete work plan targeting assistance in developing Palestinian Business Support Organizations (BSOs). The Palestinian business environment has a strong presence of business, industry and professional associations that not only work as lobbyists with the government to protect the interest of their members but also as platforms on which to organize market access initiatives for their members. USAID Compete works with dynamic and representative BSOs to enhance their current direct market opening activities in the four priority sectors of Agribusiness, Tourism, ICT and Marble and Stone.

### Agribusiness

USAID Compete is working with **Business Excellence Services Company (BESCO)** in adopting several quality systems for the fresh and processed foods industry. These international standards include GLOBALGAP (Global Good Agriculture Practices), BRC (British Retail Consortium) and ISO22000 (Food Safety). Compete has also subcontracted the National Trade organization in Palestinian Areas, **The Palestinian Trade Center – PalTrade** as the main service provider to prepare Palestinian companies participating in international exhibitions (such as the upcoming WorldFood Moscow exhibition), and to reach out to new markets and clientele to assess their export abilities in order to help address any structural gaps the Palestinian companies have in their managerial structures.

**The Palestinian Center for Agricultural Research & Development (PCARD)** was contracted to establish 60 olive oil demonstration sites aimed at increasing olive oil productivity through supplementary irrigation and other agricultural practices; these demonstration sites enable producers to gain the experience and knowledge needed to roll out the new technology all over the West Bank. PCARD has trained over 1,200 farmers across the West Bank on the results of the demos and how they can benefit from the new technology.

USAID Compete also worked with the **Palm Date Farmer's Cooperative Association (PFCA)** to procure 200 red palm weevil traps to distribute to farmers and train farmers on how to use the traps to monitor and control palm weevil infestations. The goal is not only to solve the infestation problem but also to raise the capacity of the PFCA to serve its members and provide better services. On another front, Compete cooperated with **The Palestinian Food Industries Union (PFIU)** to leverage its capabilities to assist its member companies in upgrading and improving the packaging and labeling of 16 products to increase their competitiveness, compliance and market access.

### ICT

USAID Compete signed agreements with the Palestinian private IT sector representative, Palestinian IT Association (PITA), to connect the Palestinian IT sector with the international markets through Palestinian expats and diaspora elements. This project, along with a second one to encourage employability in the sector, is leveraging PITA capabilities to showcase a capable and highly skilled Palestinian IT sector in the international markets. PITA is now a strong organization with a new managerial structure that represents more than 150 major companies in the West Bank's emerging ICT sector.

ICT work extends to other major economic sectors, such as Commercial Agriculture and Tourism. Introducing ICT solutions in these sectors has a disruptive market impact in terms of return on value and streamlining operations. ICT can help move towards more of a digital

tourism, as is explained below. In agribusiness, the ICT sector will support the **Ministry of Agriculture (MoA)** to implement and automate ICT solutions to broadcast information to farmers at critical periods.

## **Tourism**

The **Holy Land Incoming Tour Operators Association (HLITOA)** has received **assistance** to introduce digital tourism to their members through social media solutions such as the Facebook Destination App. This project enables the usage of new disruptive innovations that are designed to reach out to different segments of the international tourism market.

USAID Compete is working with **Diyafa**, a highly regarded Palestinian hospitality consultancy firm, to implement a training program for hospitality service employees in hotels across the West Bank. **Diyafa** is becoming increasingly capable of providing expertise on how to leverage capacity in hotels and raise the standards of the services provided to tourists.

USAID Compete also supports the development of the two main representatives of the tourism sector: the **Arab Hotel Association (AHA)** and **HLITOA**. Project activities are designed to increase capacity to better serve their members and provide tailored solutions that help tour operators and hotels attract more tourists to Palestinian areas.

## **Stone & Marble**

The Stone and Marble team works closely with the Stone and Marble Union (SMU), which represents the industry, and **PalTrade** as a trade service provider, to increase the Palestinian natural stone exports. Compete has worked closely with the SMU and PalTrade to develop new criteria to select the participating companies in the *Marmomacc* (Italy) and the *Big 5* (Dubai) shows. PalTrade and SMU are cooperating effectively to provide services for exhibitors and marketing assistance that enables them to reach new segments of the market and expand their businesses. Furthermore, both organizations are providing new services entailing detailed assessment of the participating companies' capabilities to export, their managerial structure and how they can address the gaps to provide higher quality services. This approach supports the development and reliability of **PalTrade** within the sector as a reliable service provider that can develop professional approaches to penetrate international markets.

## COMMUNICATIONS AND OUTREACH

During this quarter the communications team highlighted major activities of USAID Compete's four sectors and issued press releases announcing tradeshow participation, workshops and program launches, capturing both English and Arabic media attention.

The following print and online media covered Compete activities (see Annex):

- *Newspapers:* Al-Quds Newspaper, Alayyam News, Al Hayyat Al Jadideh
- *News agencies:* Wafa News agency, Maan News agency, PNN News Agency, and Sawt Al Ghad
- *International:* Wamda, AMEInfo.com,

### Online

Following the launch of the [USAID Compete website](#) last quarter, the team focused on ensuring regular updates and continued improvements to make the site more dynamic and user-friendly. The team also launched the project's [YouTube](#) channel and uploaded three videos.

In June, the number of likes on the [Compete Facebook page](#) reached over 300.

### Events

This quarter the team worked with the Stone and Marble team to finalize preparations for the Coverings tradeshow in Atlanta, Georgia (April 2013), including booth concept/design, marketing booklets and giveaways design.

### Reporting

As a key vehicle to communicate project progress, impact and evaluation, the Communications team works closely with the M&E and technical teams to produce meaningful weekly, monthly, quarterly and annual reporting. During this quarter, the team produced 12 weekly reports, two monthly reports and a quarterly report.

The Communications team wrote two success stories this quarter to highlight achievements in the Tourism sector ("*In Service Training*" and the "*Ritz Hotel*").

## SUMMARY OF PROGRESS BY SECTOR

### AGRIBUSINESS

#### Progress toward Indicators

The following chart outlines key achievements, impact and evaluation of Agribusiness activities during the period of April 1, 2013 to June 30, 2013.

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT Q3/FY2**

<b>Fresh Herbs Sector</b>	
<i>Description</i>	
<ul style="list-style-type: none"> <li>• Create a fresh herbs organization to adapt a protocol of best practices in order to satisfy international market standards and USDA-APHIS requirements.</li> <li>• Upgrade fresh herb facilities to comply with Integrated Pest Management systems (IPM) and USDA requirements</li> </ul>	
<b>Achievements</b>	<b>Impact</b>
<u>Q3/ FY2</u> <ul style="list-style-type: none"> <li>• Non-profit company registered;</li> <li>• Contract signed with Jasmine Co. to implement Global Gap (GG). They began implementing GG in June 2013;</li> <li>• Distributed over 300,000 m<sup>2</sup> of insect nets to 13 fresh herb growers on a cost-sharing basis;</li> <li>• Assessment of the fresh herb sector was conducted and revealed that there is no need for a cold chain assessment.</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>• One unified voice with strong bargaining powers;</li> <li>• Enforcing quality competitiveness standards;</li> <li>• Higher productivity and lower cost /dunum.</li> </ul> <u>Q3/FY2</u> <ul style="list-style-type: none"> <li>• Area increased by 622 dunums /62.2 hectares;</li> <li>• Production increased about 30%</li> <li>• 168 fresh herb workers from Jannet Adan and Thimar adopted Integrated Pest Management (IPM).</li> </ul>
<b>Olive Oil Sector</b>	
<i>Description</i>	
Expand olive production, quality and competitiveness through 60 demo plots that employ supplementary irrigation, tree maintenance, harvest/post-harvest activities.	
<b>Achievements</b>	<b>Impact</b>
<u>Q3/ FY2</u> <ul style="list-style-type: none"> <li>• Workshops in several governorates were held with a total of 1203 participants as of April 2013;</li> <li>• PERSUAP (Pesticide Evaluation Report and Safer Use Action Plan) in progress; local and international consultants hired. 53 interviews were conducted with farmers, agriculture engineers, input stores, the Palestinian Ministry of Health, and importer companies to collect data for the PERSUAP.</li> </ul>	<u>Q3/FY2</u> <ul style="list-style-type: none"> <li>• The farmers have been trained on applying these production enhancing practices resulting in increased incomes and job creation;</li> <li>• Demonstrate how local chains could increase yields and their competitiveness in international markets, thereby increasing growers' revenues. Impacts this planning period target through oil productivity gains;</li> <li>• Final results showed that there was an approximately 60% increase in olive oil yield.</li> </ul>
<b>Date Sector</b>	
<i>Description</i>	
<ul style="list-style-type: none"> <li>• Create long-term sustainability and open new markets through the adoption of international quality standards.</li> </ul>	

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT Q3/FY2**

- Date Pollen Facility – Start/upgrade date pollen facilities in the West Bank; presently 90% of date pollen is brought from Israel through cost sharing of inputs required for the simple technology required to capture and distribute date pollen.

<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• An assessment of the date sector was conducted and revealed that there is no need for a cold chain assessment;</li> <li>• RFQ announced for date cartons;</li> <li>• RFQ announced for Nakheel lab equipment.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Increase the competitiveness of Palestinian products in international markets through meeting food safety standards;</li> <li>• Assess this issue in the Jordan Valley in order to prevent Red Palm Weevil (RPW) outbreak.</li> </ul> <p><u>Q3/F2</u> With Global GAP and ISO 22,000 certification, achieved in previous quarter, Nakheel Palestine demonstrates adherence to food safety and quality standards to fulfill markets requirements; consumers can rest assured that the food has been sustainably produced adhering the health, safety, and environmental standards, increasing their marketability.</p>

**Meat and Dairy Sector**

*Description*  
Upgrade Meat & Dairy facilities to maintain current markets in East Jerusalem and to open new export links.

<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• POs for lab equipment signed; delivery commenced May 2013; expected completion July 2013;</li> <li>• PO for GAP assessment of meat and dairy companies (BESCO) signed May 29<sup>th</sup>;</li> <li>• GAP analysis ongoing; completed for 4 companies out of 7.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Preserve current market share;</li> <li>• Remain competitive in East Jerusalem;</li> <li>• Improve the productivity and quality of meat and dairy products.</li> </ul>

**Trade Show Participation**

*Description*  
Assist Palestinian food processors to exhibit their products at international trade shows in order to attract product buyers, enter into negotiations and receive export orders.

<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• PalTrade subcontracted to organize World Food Moscow 2013;</li> <li>• Harvest Export exhibited at AgroMashov Israel 2013;</li> <li>• 5 Palestinian companies exhibited at Fancy Food Show (FFS) 2013. Dexis, a consulting</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Open and maintain market linkages, market information and support current distributors of Palestinian specialty foods;</li> <li>• Help to capture new market leads and buyers, create direct sales, and expand market penetration.</li> </ul> <p><u>Q3/F2</u></p>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT Q3/FY2**

<p>company contracted by USAID Compete, conducted a breakfast meeting and AmCham facilitated business to business (B2B) meetings;</p> <ul style="list-style-type: none"> <li>• Dexis began carrying out a specialized marketing research study with three targeted market regions of the US Specialty food retail industry to provide market intelligence, advice and support to the Compete Project and its partners;</li> <li>• Canaan marketing promotion (Whole Foods) approved an action memo and submitted grant concept paper.</li> </ul>	<ul style="list-style-type: none"> <li>• Exports increased by \$82,645 USD for Al Salwa Co as a result of his participation at Gulfood show;</li> <li>• Exports increased by \$350,000 USD for B&amp;S Co. as a result of participation at World of Perishables and Fruit Logistica tradeshow;</li> <li>• Exports increased by \$151,749 USD for Emirates Delights as a result of participation at Fruit Logistica.</li> </ul> <p><u>Evaluation / Fancy Food</u> According to an evaluation completed by participants, the majority of participants agreed that they benefitted from the Fancy Food show in a variety of ways:</p> <ul style="list-style-type: none"> <li>• Emirates Delights is finalizing 3 contracts/deals as a result of the show for around 27 tons of dates with a value of approximately \$229,000 USD;</li> <li>• Companies met a total 245 potential customers and generated approximately 70 business leads, creating access to new markets;</li> <li>• Business to Business meetings (B2B) were very useful for participants;</li> <li>• 75% found that the trip to the distribution warehouse was useful; most participants would consider doing business through such a warehouse and distribution service because many customers met at the show asked for only a few pallets;</li> <li>• Developing skills in marketing.</li> </ul> <p><u>Participant Recommendations / Fancy Food</u></p> <ul style="list-style-type: none"> <li>• Ship samples one month prior to the show in order to avoid problems in delivery;</li> <li>• Use different methods of shipment and follow up to ensure that all show materials arrive in a timely and reliable manner;</li> <li>• Register early to get a better booth location.</li> </ul>
<b>Forward Contracting</b>	
<p><i>Description</i> Link Palestinian value chains to international and domestic markets with long-term contracts to avoid major price fluctuations and supply shortages.</p>	
<b>Achievements</b>	<b>Impact</b>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT Q3/FY2**

<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• USAID Compete and Al Salam Group signed a grant to run a marketing campaign prior to the holy month of Ramadan;</li> <li>• New contract between Top Field Co and Al Forat Co., two companies supported by USAID Compete and a major Jordanian supplier of potatoes, Al Ashqar Company. 6000 MT of Red Desiree potatoes valued over \$2 Million will begin to be delivered immediately to the Jordanian factory.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Forward contracts can increase competitiveness, increase export performance and improve country image (brand and origin) recognition;</li> <li>• This will help to avoid major price fluctuations and help sustain a consistent supply flow in response to the market's needs.</li> </ul> <p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Exports increased to Israel by \$19,994 for Al Salam Co. as a result of forward contracting;</li> <li>• Jobs created: 14 (all male) for Al Salam Co.;</li> <li>• Jobs created for Top Field Co: 297 seasonal workers;</li> <li>• Jobs created for Mwaffaq Daraghme: 549 seasonal workers;</li> <li>• Increase in local sales by \$460,631 USD for Al Salam Co.</li> </ul>
<b>Usage of Treated Waste Water (TWW)</b>	
<p><i>Description</i></p> <p>Build awareness and support for the reuse of TWW for agriculture to address the inadequate water supply. Study tours will focus on the exchange of technical knowledge and the study of models to be replicated in the West Bank.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Farmer list identified and submitted for vetting;</li> <li>• EA team identified;</li> <li>• Scoping Session materials prepared.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Transfer knowledge of how to use the TWW;</li> <li>• Provide additional sources of irrigation water by making use of the TWW from the Nablus waste water plant;</li> <li>• Increase awareness of the importance of using TWW in agriculture.</li> </ul>
<b>Saline Water Demonstration</b>	
<p><i>Description</i></p> <p>Conduct several pilot tests that use a Swiss technology (magnetically treated water) to enable the use of saline water for irrigation</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Organized a workshop in Jericho to announce the results of saline demos at 5 field locations.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Introduction of new saline water technology will have major long-term benefits for the agriculture industry;</li> <li>• Increase productivity, quality, export volumes and competitiveness of Palestinian produce.</li> </ul> <p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• 13 farmers expressed interest and are willing to cost share magnetic saline equipment.</li> </ul>
<b>Upgrading of Nurseries Facilities</b>	

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT Q3/FY2**

*Description*  
Upgrade and qualify Palestinian nurseries in order to provide high quality grafted and fresh herb seedlings at reasonable prices.

<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• PO signed for nurseries equipment;</li> <li>• EDF approved;</li> <li>• RFQ winner announced for equipment.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Transfer knowledge of grafting systems;</li> <li>• Address market needs, and adapting to soil conditions through grafting.</li> </ul> <p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Ata Abu Al Rub adopted improved technology on 3 dunums/0.3 hectares;</li> <li>• Farmers procured grafted seedlings from Ata Abu Al Rub and planted over 141 dunums/14.1 hectares;</li> <li>• Farmers procured grafted seedlings from Juneidi Nursery and planted 65 dunums/6.5 hectares;</li> <li>• Al Juneidi Nursery's local sales increased by \$40,000 USD as a result of grafted seedlings;</li> <li>• Ata Abu Al Rub's local sales increased by \$112,000 USD as a result of grafted seedlings;</li> <li>• Jobs created: 5 female seasonal workers.</li> </ul>

**Upgrading Accredited Laboratory for Fresh Produce**

*Description*  
Upgrade and accredit Palestinian private sector laboratories to conduct tests according to international standards (ISO 17025) that comply with customers' needs, specific market requirements, and enable firms to take immediate corrective action when required.

<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• EDF approved by USAID.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Conducting tests in accordance with ISO 17025 will comply with customer needs, specific market requirements as well as reducing costs and time.</li> </ul>

**Packaging and Labeling**

*Description*  
Create a qualified team and system with the PFIA in order to assist food-processing companies in upgrading and improving their packaging and labeling capabilities for improved market access.

<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Regional competition for product packaging design followed by StarPack ceremony;</li> <li>• Starpack agreement signed. Ceremony in August 2013;</li> <li>• 14 products redesigned and approved by related companies. The last 2 product designs were determined satisfactory and</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Improve the global competitiveness of the industry through better packaging, higher production standards and better reputation;</li> <li>• Building association-led capacities in export packaging, labeling and market requirements</li> </ul>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT Q3/FY2**

require no further redesign (LibanPack).	
<b>Upgrade the Aquaculture Sector</b>	
<i>Description</i> Revitalize the Palestinian fish industry in the region of Jericho and other governorates to satisfy domestic demand by conducting an assessment on the future outlook of the industry.	
<b>Achievements</b>	<b>Impact</b>
<u>Q3/ FY2</u> <ul style="list-style-type: none"> <li>• Identified 4 partners.</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>• A revitalized pond – fish sector will meet domestic demand, contribute to integrated water management improvements and potentially grow to serve export markets.</li> </ul>
<b>Updates for Other Agribusiness Activities in the Work Plan</b>	
<ul style="list-style-type: none"> <li>• FAM Trips: Familiarize Palestinian exporters with international market demands through targeted Familiarization Study Tours (FAM tours); invite key buyers to visit and build business relationships with local producers. <ul style="list-style-type: none"> <li>○ Signed grant agreement with AmCham</li> </ul> </li> <li>○ Agriculture Information: Introduce mobile applications providing inexpensive mobile phone-based services to Palestinian producers to access local and international market information. <ul style="list-style-type: none"> <li>○ Finalized SOW with ICT department and MoA.</li> <li>○ Requisition for consultant to perform system analysis and generate RFQ TOR submitted by ICT Component Lead.</li> </ul> </li> <li>• Produce Distribution Hub: Support for market research and a feasibility study as the first steps toward establishing a distribution hub for fresh produce in target markets to directly link local value chains to growing international markets. <ul style="list-style-type: none"> <li>○ Presented and highlighted the idea of establishing a “Commercial Hub in Dubai; 3 companies agreed to join USAID Compete to develop a full feasibility and investment plan and the best legal structure of the proposed hub.</li> </ul> </li> <li>• Upgrade Grape Sector: Upgrade 15 Palestinian grape farms to produce high quality seedless grapes at competitive prices through technical assistance and cost-sharing upgrading inputs. <ul style="list-style-type: none"> <li>○ Meeting preparations with stakeholders and vetting of partners in process.</li> <li>○ RFQ announced for netting roll.</li> <li>○ Awaiting vetting of grape farmers.</li> </ul> </li> <li>• Upgrade Guava Sector: Assist guava farmers to upgrade their production to provide high quality guavas at reasonable prices through cost sharing inputs to the guava producers’ farms including fruit fly traps, packing lines, and cool stores among others. Met with stakeholders; agreed on cost share. <ul style="list-style-type: none"> <li>○ RFQ announced for guava packing house.</li> <li>○ Company registered and is submitted for vetting.</li> </ul> </li> <li>• Traceability Software: Support the design and implementation of an operational traceability system (developed by the Palestinian ICT sector) for the fresh export produce sector following international best practices in order to increase product standards. <ul style="list-style-type: none"> <li>○ Concept paper submitted</li> <li>○ Traceability software clients identified.</li> </ul> </li> </ul>	

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT Q3/FY2**

- Capacity Building for the MoA Veterinary Services (VS) Staff : Provide technical assistance and capacity building for 20 MoA Veterinary Staff on laboratory operations and business methods.
  - RFQ announced for training program.
  - SOW completed.
  - Vetting of trainees completed.
  
- Capacity Building for the MoA Plant Protection Services Staff and Fresh Herb Agronomists : Support the provision of technical assistance to enhance the knowledge and skills of Plant Protection Services staff and fresh herb agronomists at the MoA.
  - SOW for inspection tools for MoA completed.
  - SOW for prefeasibility study of the marketing company for the MoA submitted to MoA for review.
  - EDF approved.
  - Winner announced for inspection tools.
  
- Capacity Building for Date Firm Staff and Date Farmers and cost share equipment: Raise knowledge and competence of the workforce to improve date quality and increase export produce to high value markets.
  - US consultant to be hired to conduct training on improve production and quality
  
- Export Manager for Hire: Hire an export manager for companies that have demonstrated a clear competitive advantage and access to international markets.
  - Grant signed with AmCham.
  
- Introduce New Crops to the Palestinian Agriculture Sector : Introduce new crops to be produced under contract by Palestinians farmers for the frozen processing facility managed by the Al Salam Group based in Hebron.
  - Cost shared irrigation system and sprayer with two potato/carrot farmers,
  - Delivery of carrier line to Mowafaq Daraghmeh.
  - MOU with Al Salam Group.
  - Finalizing RFQ and SOW for new water carrier for Mowafaq Daraghmeh farms.
  - EDF for Top Field and Mowafaq Daraghmeh water networks signed.
  - Delivery of water networks to Top Field.
  - Grant for Al Salam for marketing campaign signed June 6th.
  - RFQ announced for potato packaging line.

### Lessons Learned

*Shipping food products* - When shipping products for exhibition at international trade shows, a critical lesson learned in June 2013 was to ship the products separately to ensure that not all of the products are affected if there are any issues at customs. Also, understanding issues earlier rather than later enables the project to begin problem solving on the ground.

## TOURISM

### Progress toward Indicators

The following chart outlines key achievements, impact and evaluation of Tourism activities during the period of April 1, 2013 to June 30, 2013.

TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM USAID COMPETE PROJECT Q3/FY2	
<ul style="list-style-type: none"> <li>• <b>Market Analysis - Digital Marketing Capacity</b></li> <li>• <b>Digital Marketing Seminar Conference &amp; Workshop</b></li> <li>• <b>Digital Tourism Demo for Social Media Conversion</b></li> <li>• <b>Web Clinics</b></li> </ul>	
<p><i>Description</i></p> <ul style="list-style-type: none"> <li>• Undertake an assessment of where the Palestinian Territory currently stands in terms of digital prowess for tourism and using “value chain” techniques to identify current weaknesses and opportunities and to identify the most urgent weaknesses that need correction and support.</li> <li>• Support the development of the digital marketing capacity across the sector.</li> </ul>	
Achievements	Impact
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Organized a workshop for 18 tourism and ICT companies to demonstrate best practices for digital content creation. The workshop also addressed the art of doing interviews and how to use them when building a website.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Identify the most critical areas of need of tools and capacity requirement for the Tourist companies and individuals;</li> <li>• Reach target markets and takes advantage of the digital environment to promote their business to increase demand and convert bookings;</li> <li>• Highlight development opportunities;</li> <li>• Enable the companies to better utilize their websites to achieve their goals.</li> </ul> <p><u>Q3/FY2</u></p> <p><u>Evaluation of Content Creation Workshop:</u> Compete assessed the value of these workshops and web clinics to learn whether the information and training will trigger changes in the way companies manage digital and social media. The survey showed that the majority of participants (86%) believed that the workshop was very useful and that the presenter was extremely experienced and knowledgeable. This indicates that the goal of the workshops was achieved; almost half of the participants indicated that their skills were extremely enhanced through the training. Furthermore, the survey showed that the majority of the participants stated that they are willing to apply what they have learned at these workshops, changing the way they approach the market.</p>
<ul style="list-style-type: none"> <li>• <b>Market Profiles Implementation</b></li> <li>• <b>Destination Brand Development</b></li> <li>• <b>Trade Shows Participation</b></li> <li>• <b>HLITOA/AHA Development Support</b></li> </ul>	
<p><i>Description</i></p>	

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT Q3/FY2**

- Develop market profiles for key source country markets and key niche markets to expand market access and business development in the strategic tourism market.
- Develop a country brand strategy based on research, analysis and market needs that evolve into a strong country image.
- Support the participation of a selected number of Palestinian ICT companies for tourism to attend the World Travel Market and Internationale Tourismus Börse (ITB); firms will gain exposure to the types of opportunities open to serve the tourism sector within the West Bank and globally.
- Support to HLITOA and AHA (the two major Palestinian tourism trade associations) through increasing member services, expanding product offerings, and directly engaging with international travel buyers.

Achievements	Impact
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• HLITOA’s contract package was submitted to USAID contracts office for their review and approval</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• This intervention will assist in strategic decision making and for the first time enable targeting one of the most lucrative potential markets;</li> <li>• The Palestinian tourism industry will use a unified message to increase the awareness of the Palestinian territories as a tourist destination, and shift perception to accurately represent Palestinian tourist destinations;</li> <li>• Delivery of clear and consistent messages on tourism products that represent the Palestinian experience will result in a more compelling proposition to the target market, and increase sales of Palestinian firms and increase tourists’ expenditures in Palestinian areas;</li> <li>• This intervention will enable HLITOA/AHA to provide better services to their members and business partners, particularly through the four market profiles HLITOA is developing;</li> <li>• The destination brand will support Palestinian tour operators to organize road shows, actively sell new destinations and sites developed in collaboration with Compete, as well as improve the digital presence of Palestinian tour operators;</li> <li>• This intervention will increase sales and bring more investments in the tourism sector;</li> <li>• This intervention will provide an opportunity for the Palestinian ICT sector to tap into a rapidly growing global market, opening new markets for their products and skills; this will directly increase exports, expand sales, and will create new jobs in the Palestinian digital tourism sector.</li> </ul>
<p><b>Support Bethlehem Master Plan Implementation through Signage Activity</b></p>	
<p><i>Description</i> Support the Bethlehem Signage initiative which includes a mobile stage in Manger Square, street lights and sanitation facilities around major tourism attractions, tourist information centers and walking trails in Bethlehem.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT Q3/FY2**

<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Bethlehem Signage: Phase II is underway and will be completed early July;</li> <li>• First draft of tourist information map under review; sample information stand produced and approved;</li> <li>• GPS coordinates of 125 signs have been completed and logged.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Increase the number of individual tourists visiting the city, increasing spending in the local economy.</li> </ul>
<p><b>Hotel Classification</b></p>	
<p><i>Description</i> Develop and implement a mandatory hotel classification system in the Palestinian Territories to ultimately support an increase in tourism numbers, length of stay and average expenditure per visitor.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Organized 3 awareness workshops to introduce the new hotel classification standards;</li> <li>• Signed a grant with AHA to raise the capacity of hotel classification assessors.</li> <li>• The Joint Committee launched the Hotel Classification star rating process for all hotels in the West Bank;</li> <li>• 12 hotels completed the 1st self-assessment phase of the classifications program.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• The system provides assurance of the highest quality possible for the amounts paid by tourists; this increases the credibility of Palestinian products and services.</li> <li>• Increase in number of tourists, length of stay and average expenditure per visitor.</li> </ul> <p><u>Q3/FY2</u> 27 West Bank hotels submitted their self-assessment forms.</p>
<p><b>Site Renovation and Trail Site Development</b></p>	
<p><i>Description</i></p> <ul style="list-style-type: none"> <li>• Site Renovation: Select priority sites for sustainable interventions with high tourism potential to offer the best return on investment as well as to enhance Palestinian tourism “products”</li> <li>• Trails: Develop and launch two trails and begin phase one development of a third trail to contribute to expanded tourism offerings in the West Bank and to support the Palestinian tourism sector in attracting the soft adventure tourism market.</li> <li>• Impact: Strong emphasis on sustainability through business and economic benefits to stakeholders including local communities and site conservation through enhanced management.</li> </ul>	
<p><b>Achievements</b></p>	
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• DAI expert assessed possible tourism interventions in 4 sites across the West Bank.</li> <li>• Conducted visits with USAID environmental officers to Burqin Church.</li> <li>• RFP placed in local newspapers for vendors to undertake the civic map activity.</li> <li>• Hisham’s Palace Interpretation and Museum Rehabilitation: The Partners Input Matrix as well as a summary of each partner’s role was presented to the University of Chicago as finally agreed upon with MOTA/DACH.</li> <li>• Burqin Church Sewage System: The final design and RFP for construction was completed. EDF for Burqin Church was done. RFPs and invitation for implementation proposals was finalized and published. Construction proposals received, evaluated, and the winner company in under the vetting process. The Church vetting is pending by USAID request and awaiting their signal to proceed or not to proceed with it.</li> <li>• Direction Signs for Tourism Attractions: Finished all design and preparatory steps. Installation of</li> </ul>	

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT Q3/FY2**

- the signs in Burqin, Sabastiya, Taybeh and Bethany started and expected to finish by the end of July.
- Civic Location Maps: SOW using base maps to provide user friendly city maps available for panels, brochures and ICT applications in 10 cities and towns are ready (Jenin, Burqin, Sabastiya, Nablus, Taybeh, Ramallah, Bethany, Jericho, Bethlehem and Hebron). RFP placed in local newspapers for vendors to undertake the civic map activity. Tourism contactor presented the layout and design of the civic maps and delivered the selection criteria for features that will be shown in the maps.
  - Hiking Trails: Rozana Association was identified as possible implementing partner for the development of trails at Massar Ibrahim, Battir, Taybeh, Wadi Qelt, Mar Saba, Al Massar Al Soufi.
  - Developed the SOW for Center of Cultural Heritage Preservation (CCHP) and oriental Institute of Chicago University.
  - Developed the SOW and RFP for prequalification of site renovation design companies and construction contractors.
  - Conducted data collection, research and stakeholders meetings to formulate the following interventions:
    - Burqin Interventions (Multi-purpose visitor center/Jarrar Palace and Urban Rehabilitation Project).
    - Bethany Interventions (Creating New Historic and Site Management).
    - Bethlehem Interventions: Action Club Street, Qattan stairway, bus station street, landscaping in Qattan Square, Bseileh stairway and parking, street light network, interpretation panels, equipping Manger Square for cultural events, Dar Khater (Art & Icon School), construction of tourist facilities/public toilets).
    - Bethlehem Museum with Ecumenical Foundation.
    - Sabastiya Urban Rehabilitation Project with the Municipality of Sabastiya.

**Hospitality School**

*Description*

Implement plans for a hospitality school to increase the volume and availability of service level staff within the labor force; this includes comprehensive In-Service training for front and back of house hospitality staff currently working in hotels

<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Organized Hospitality School Working Group made of Ministry of Tourism, representatives of the tourism private sector, AHA and HLITOA, and Bethlehem University;</li> <li>• Private sector representatives are working on a position paper depicting their vision for the Hospitality School, including the management structure and possible locations.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Raise the level and availability of service level employees;</li> <li>• Indirectly raise the exports in the Tourism sector.</li> </ul> <p><u>Q3/FY2</u></p> <ul style="list-style-type: none"> <li>• Compete assessed the level of readiness of the employees who took the training and discovered that the majority of the participants believe that their skills have improved tremendously and that they can apply the skills in their jobs; they also said that the training will help them advance in their future careers. Furthermore; all the participants agreed that the training prepared them to take the CHS exam.</li> </ul>

**Tourism Image Bank**

*Description*

Ensure the availability of quality images to support the sector to compete internationally both online and offline.

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT Q3/FY2**

Achievements	Impact
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Contracts signed with 2 photographers;</li> <li>• The two contractors began providing Compete with pictures to be posted on the online image bank;</li> <li>• RFQ for Flickr and /Pinterest was developed and published.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Addresses the lack of high quality images of Palestinian tourist, heritage and historical locations that can be used in branding for the sector and enable it to compete internationally both online and offline;</li> <li>• Indirectly increases the sales of Palestinian tourism operators.</li> </ul>
<b>Facebook Application for Tourism</b>	
<p><i>Description</i></p> <p>An opportunity exists for a fully functional Facebook (FB) Application that would aggregate content from across the different destinations into an itinerary builder and be made available to all tourism stakeholders for use on their own FB pages. The application would include a trip planning tool, ongoing engagement and database building. The FB Application would ideally be managed by a local firm and offered to the tourism sector as a service.</p>	
Achievements	Impact
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Facebook Leaderboard application was technically completed followed by training on managing the application for HLIOTA staff.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Increase the engagement between the ICT sector and the tourism sector to create new products and solutions to expand in the local market and reach new markets;</li> <li>• Enable the Tourism sector to use local IT expertise to benefit from the social media campaigns to attract new tourists.</li> </ul>
<b>Updates for Other Tourism Activities in the Work Plan</b>	
<ul style="list-style-type: none"> <li>• Palestinian/Israeli Tour Development and support to Samara/Travelujah in order to expand tourism products, extend tourism outside of key hubs, and encourage Israeli/Palestinian joint business development. <ul style="list-style-type: none"> <li>○ Grant signed with Samara Tours.</li> <li>○ Awaiting USAID approval for Travelujah sub-contract.</li> </ul> </li> <li>• Cultural Heritage and Tourism – Assistance for Palestinian businesses and associations to develop cultural heritage products and experiences for tourism through grants and technical assistance to enable individuals, small businesses and associations to benefit from tourism while extending an authentic and engaging tourism product offering: <ul style="list-style-type: none"> <li>○ Compete is finalizing design plans for hiking trails and Palestinian historic and cultural heritage sites that will help expand the Palestinian tourist destinations, in addition to a different set of products to attract new clients and types of tourists. This is a complicated and time consuming process that requires several different levels of approvals from different stakeholders.</li> <li>○ Compete is also helping the tourism private sector representatives(HLITOA ) to professionally approach new international markets based on market research and knowledge that can sell new Palestinian locations and services which will lead to higher number of sales and spending per tourists.</li> <li>○ Compete is planning to work with Burqin Women Association to manage the multipurpose visitors center in Burqin to provide locally made products and experiences.</li> </ul> </li> </ul>	

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT Q3/FY2**

- Compete is also planning to work with local grass root organizations at Sabastiya and Bethany to enhance the business environment surrounding the cultural heritage sites and traditional handicrafts.
- Bethlehem Museum: Compete met with the Holy Land Christian Ecumenical Foundation to discuss the concept and ultimate message of the Bethlehem museum; it was agreed that the foundation will submit more information elaborating on the concept design for the museum’s display/presentation.
- Support Development of Hotel Service and Quality Standards: Assist hotels in raising standards and hiring the appropriate number of staff to meet newly introduced hotel classification requirements.
  - Compete is finalizing planning with the AHA to provide direct assistance to the Palestinian Hotels to assess their cleaning services.
  - AHA has contacted different cleaning companies to assess their services and how they can help their members.

**Lessons Learned**

*Site Renovation* - Particularly in urban design interventions, municipalities need community participation workshops before starting the projects. If not properly represented through the municipality, women and youth should be a part of community participation to be informed and to ensure their perspectives are included in planned interventions. Having diverse voices in community discussions about activities that will affect the local community is critical, and can be done through workshops and town halls.

**ICT**

**Progress toward Indicators**

The following chart outlines key achievements, impact and evaluation of ICT activities during the period of April 1, 2013 to June 30, 2013.

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT Q3/FY2**

<b>PDF Project with ProGineer</b>	
<i>Description</i> Assist ProGineer engineers to develop the knowledge and skills required to create additional enhancements to PDF’s software offerings	
<b>Achievements</b>	<b>Impact</b>
<u>Q3/FY2</u> <ul style="list-style-type: none"> <li>● ProGineer Technologies Joins TIBCO Spotfire Partner Network</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>● Creating additional new jobs in the Palestinian Territory;</li> <li>● Encourage PDF to consider opening a format research center in the Palestinian Territory.</li> </ul> <u>Q3/ FY2</u> <ul style="list-style-type: none"> <li>● Exports increased: \$35,037 USD.</li> </ul>

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT Q3/FY2**

<b>Palestinian Business Innovation Center</b>	
<p><i>Description</i> Inspiring young Palestinian entrepreneurs at the first ever Hi-Tech Hub Event. This event has been designed as monthly gatherings of developers, web designers, entrepreneurs, students, academics and investors who are interested in contributing to a more vibrant start-up community.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Preparations for the 3rd Hi-Tech Hub in August;</li> <li>• Preparations for the fourth Hi-Tech Hub in September ;</li> <li>• Study tour in Jordan to introduce the gaming concept into the West Bank</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Provided a forum to connect, innovate, lead and listen to a global line up of speakers, and share experiences of breaking into international markets with an innovative tech idea.</li> </ul>
<b>Apple iOS Mobile Development Center of Excellence</b>	
<p><i>Description</i> The Apple iOS Development Center of Excellence, owned by Infinite Tiers, partnered with USAID Compete to develop deep knowledge in agile technologies and mobile applications – especially for Android and Apple applications.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• 3 new products developed;</li> <li>• 7 interns hired.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Develop deep knowledge in agile technologies and mobile applications – especially for Android and Apple applications;</li> <li>• Enable a local branch of US based company to develop local resources in mobile applications.</li> </ul> <p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Export increased by \$58,934 USD.</li> </ul>
<b>H+W Sales Force Cloud Computing</b>	
<p><i>Description</i> H+W Product Force is working with Palestinian partners to create a resource center under the name H+W Product Force. The center will develop and market SaaS applications on the Sales force platform.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• 2 Applications were developed;</li> <li>• A training was held for 30 new graduates on sales force and development.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• This activity will build Palestinian capacity to develop IT tools—particularly cloud computing technology services—a leading edge technology that is in high demand globally;</li> <li>• Salesforce.com technology will eventually help disseminate IT solutions to non IT enterprises. Building Palestinian skills in this technology will enable local IT firms to take advantage of</li> </ul>

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT USAID COMPETE PROJECT Q3/FY2**

	<p>this rapidly growing market.</p>
<p><b>Diaspora Linkage</b></p>	
<p><i>Description</i> This activity aims to build bridges between Palestinian Diaspora worldwide and the ICT sector in West Bank and Gaza. The U.S has been selected as a pilot country for this activity.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• PITA selected a New York based company to organize B2B meetings for the October 2013 trade mission;</li> <li>• PITA hired a consultant to lead PITA efforts to establish a successful business to business mission for the participating companies.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• This activity will contribute to greater innovation in the Palestinian economy by enabling the ICT sector to connect with the Diaspora living abroad – particularly in the U.S., motivating them to invest in the Palestinian ICT sector.</li> </ul>
<p><b>Solidify Multinational Partnerships</b></p>	
<p><i>Description</i> Support Palestinian software houses to partner with international based companies (not necessarily first tier ones such Microsoft or Intel) but with a focus on European and Arab Gulf markets.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Signed grant agreement with I-Connect, a Palestinian Software Company specializing in E-commerce and health IT to facilitate 3 projects related to healthcare IT as well as software consulting for e-commerce services for Arab-speaking customers;</li> <li>• Signed grant agreement with Fanar Soft, a Palestinian Software Company specializing in freight forwarding software providing services to the Israeli market, to enable Fanar Soft to hire additional engineers to develop a new system for the Israeli Customs Authority through an Israeli Company named Amital;</li> <li>• Signed grant agreement with Al-Tareq Software systems to support the company to start two new projects in Oman and Libya, including a software system for governmental entities in Oman, and a new system for Libyan Universities.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• This intervention aims to solidify the ICT sector’s position as a reliable partner and maintain the momentum achieved so far;</li> <li>• This activity will support the achievement of new contracts, job creation and exports;</li> <li>• This initiative would encourage companies to open branch offices in Palestinian cities other than Ramallah to ensure new resources are hiring (especially females) who have difficulties moving to Ramallah for social/family reasons.</li> </ul> <p><u>Q3/FY2</u></p> <ul style="list-style-type: none"> <li>• Exports increased by 72,000 USD for ASAL with Intel Project;</li> <li>• Jobs created for ASAL: 12 (11 Male, 1 Female);</li> <li>• Exports increased by 44,640 USD for Jaffa Net.</li> <li>• Jobs created for Jaffa Net: 9 (6 Male, 3 Female).</li> </ul>
<p><b>Seed Fund for Start-up Companies</b></p>	
<p><i>Description</i> Support risk-sharing associated with a “Seed Fund” for startup companies. This fund is a fundamental element in creating a pipeline of startup companies with the potential to attract venture capital investment</p>	

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT Q3/FY2**

Achievements	Impact
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>Signed with Al-Dawlieh Investments to create an investor-led seed/angel fund in the West Bank.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>The Seed Fund is a necessary step to create a pipeline of startup companies that are attractive to venture capital investment;</li> <li>Startups will be able to receive investments in the range of 50K-150K and benefit from the portfolio of business services Arabreneur has developed for startups. This is in addition to a regional and international business acceleration network that will add value in terms of international exposure for these startups.</li> </ul>
<b>Microsoft Research Center</b>	
<p><i>Description</i></p> <p>Based on the success of the USAID-sponsored Microsoft Research center- Israel incubation Project at PICTI, Microsoft is expanding the project to include more Palestinian employees who will work out of the ASAL company office in Ramallah. To ensure that the project goes forward, Compete will provide a cost-sharing grant to ASAL to off-set risks to Microsoft Israel.</p>	
Achievements	Impact
<p><u>Q3/FY2</u></p> <ul style="list-style-type: none"> <li>Compete provided a grant to ASAL company to Palestinians with required skills to be able to work with Microsoft R&amp;D projects.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>The grant will eventually create needed Palestinian talent to open a full-service Microsoft R&amp;D center in the Palestinian Territories.</li> </ul> <p><u>Q3/FY2</u></p> <ul style="list-style-type: none"> <li>Exports increased by 60,000 USD;</li> <li>Jobs created: 10 employees (7 Male, 3 Female).</li> </ul>
<b>Updates for Other ICT Activities in the Work Plan</b>	
<ul style="list-style-type: none"> <li>Business and technical skills development: identify and engage private sector companies, introduce case competition programs, and support an Executive Development (“Mini-MBA”) series in cooperation with leading U.S and Israeli universities for course content tailored for private ICT sector needs. <ul style="list-style-type: none"> <li>Finished one round of the Mini-MBA with Kellogg Recanati: the program started on January 13, and finished on March 14 2013. 33 Palestinian middle managers, GMs and entrepreneurs attended the course.</li> <li>Signed the PITA Employability Program for skills development.</li> </ul> </li> <li>Export Manager for Hire: Support an Export Manager/Overseas Agent to penetrate specific markets to sell Palestinian products or obtain outsourcing contracts especially in the Gulf, Saudi Arabian and North American markets. <ul style="list-style-type: none"> <li>Launched the ICT sector’s Export Manager for Hire Program.</li> <li>Signed grant agreement with H+W MENA to expand in the German market.</li> </ul> </li> </ul>	

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT Q3/FY2**

- Cross-Sector Technology Program for Finance, Tourism, Agro, Stone & Marble Sectors (Diffuse ITechnology in each sector): On-Going.
  - Cross-Sector Tech-Program-Agribusiness: (Introduce “traceability software” systems to help Palestinian fresh produce exporters adhere to ISO 22000 and Global Gap food safety standards, directly contributing to increased sales and exports of Palestinian fresh produce ) :
  - A meeting was conducted between USAID Compete team and Lahav at the Kellogg/Tel Aviv University to integrate and design six intensive modules for the second Mini-MBA course to meet the needs and requirements of agricultural management in the West Bank. This new program is scheduled to start in October 2013.
- Cross-Sector Technology Program for Finance – ( Introduce the game-changing Payment Gateway solution to the Palestinian Market in partnership with regional and local businesses, in addition to supporting employee training initiatives and facilitating necessary partnerships with local banks.
  - Preparations for the Payment Gateway launch event, scheduled to take place on August 20th.
- Cross-Sector Technology for Program –Tourism Introduce digital tourism into the Palestinian market, beginning with the selection and qualifying of ICT partners to build and support solutions for the tourism industry through the development of websites, Facebook applications, booking and reservation platforms, and systems integration with key tourism organizations.
- Facebook App Data Collection for major tourist attractions in the West Bank and Jerusalem.

### Lessons Learned

*Choosing Partners with Global Footprint:* Choosing the right partner to work with in a development project must be done carefully. First, in order to make sure that we will be achieving the anticipated market impact, and second, to ensure that whatever is built in the local market can be scaled-up to increase the impact. In the ICT sector, working with partners who have existing or are affiliated with international networks that generate demand for services is critical. As opposed to starting from the local market and going global, this is a much simpler model for growth; having a mix of both models should be encouraged.

## STONE AND MARBLE

### Progress toward Indicators

The following chart outlines key achievements, impact and evaluation of Stone & Marble activities during the period of April 1, 2013 to June 30, 2013.

TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE USAID COMPETE PROJECT Q3/FY2	
<b>Trade Show Participation</b>	
<i>Description</i> Assist Palestinian producers to participate at leading trade shows to enable opportunities to learn about new equipment, technology advances, and attract buyers and distributors.	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/FY2</u></p> <ul style="list-style-type: none"> <li>• Participation at Coverings Trade Show;</li> <li>• Preparations are underway for Marmomacc in Italy and the Big 5 in Dubai.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Supporting export ready SME's with new products will increase exposure to international market buyers which will lead to an increase in exports.</li> </ul> <p><u>Q3/FY2</u></p> <ul style="list-style-type: none"> <li>• Exports increased for Verona Co. by US\$383,500;</li> <li>• Exports increased for Al Waleed Co. by US\$29,362;</li> <li>• Jobs created for Verona Co.: 3 Male.</li> </ul> <p><u>Evaluation / Coverings Trade Show</u></p> <ul style="list-style-type: none"> <li>• Founoon Co. met 75 potential customers during the show, Al Waleed Co. met 35 potential customers, and Levant Co. met 34 potential customers;</li> <li>• Many countries such as the USA, Cayman Islands, Guatemala, Dominican Republic, Turkey, Caicos Islands, China, Argentine, Mexico, and Italy expressed interest in Palestinian stone;</li> <li>• All companies considered this an important trade show to attend;</li> <li>• All companies agree that they gained sufficient experience. This included:               <ul style="list-style-type: none"> <li>○ Observing other exhibiting companies, and their products;</li> <li>○ Meeting manufacturers of stone treatment materials such as sealers and super resin polish;</li> <li>○ Attending a lecture regarding machines used for stone;</li> <li>○ Identifying US market requirements and the latest developments in the stone industry;</li> <li>○ Learning new promotional and marketing.</li> <li>○ Observing new colors of stone, size, use of stone such as (tiles, kitchen tops, etc.);</li> <li>○ How to be more prepared for next exhibitions regarding booth size, shape, and area needed;</li> <li>○ Knowledge about booth design, products display including finishing and colors that suites the US market.</li> </ul> </li> </ul>

**TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE  
USAID COMPETE PROJECT Q3/FY2**

	<ul style="list-style-type: none"> <li>• Most participants consider the US market a major market;</li> <li>• All companies agreed that their participation at Coverings met their company marketing plan. They met potential customers and accessed new markets, conducted B2B meetings, introduced attendees to Palestinian stone, its characteristics, and high quality, and improved their skills as a result of the trade show. Participants were also introduced to US market requirements, which will help them comply with these standards and increase their sales in the near future;</li> <li>• Most companies said that they are planning to participate next year; one company is planning on participating on its own.</li> </ul> <p><u>Lessons Learned</u></p> <ul style="list-style-type: none"> <li>• After meeting international companies in the stone industry, the participants have learned to focus on the quality of their products in order to be able to access international markets;</li> <li>• Participants identified new mechanisms of marketing, sales and closing business deals. They also identified US market requirements;</li> <li>• Participants learned that preparation prior to the show is essential in order present their products in the best possible way and utilize the space and size of the booth. They also learned that booking early is important to reserve a good location;</li> <li>• Participants observed other exhibitors’ product display and booth designs, which gave them ideas for future trade shows.</li> </ul> <p><u>Participant Comments and Recommendations</u></p> <ul style="list-style-type: none"> <li>• Participants suggest that each company have its own separate booth, more space and provide display screens to illustrate their products;</li> <li>• Different colors and finishing of stone should be used to suit all customer tastes;</li> <li>• Jerusalem stone should be clearly presented as many customers are interested in this type of stone;</li> <li>• Trade show participation should be on a cost share basis.</li> <li>• Participants recommend more time to prepare samples and other materials for the show.</li> </ul> <p><u>What are suggested USAID project activities that would enhance your skills and better position you in future US and other international markets?</u></p> <ul style="list-style-type: none"> <li>• Trainings and workshops conducted by international experts to exchange knowledge and experience regarding marketing and exporting in preparation for trade shows. This will help participants in the stone industry to identify market requirements, build market linkages, and close business deals.</li> <li>• Conduct inward buyers’ missions to introduce Palestinian</li> </ul>
--	--

**TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE  
USAID COMPETE PROJECT Q3/FY2**

	<p>stone to potential customers and close business deals as well as outward missions to visit stone factories, manufacturers, architects, contractors and suppliers in international markets especially the US.</p> <ul style="list-style-type: none"> <li>• Produce brochures specified for Palestinian stone companies to distribute them in shows and other events.</li> <li>• Support stone companies in opening market distribution hubs in international markets such as the US, China, Korea, etc.</li> </ul>
<b>Form Partnership with Specialized Marketing Firms</b>	
<p><i>Description</i></p> <ul style="list-style-type: none"> <li>• Linking Palestinian manufacturers with international buyers and investors is essential for reaching global competitiveness and increasing exports.</li> <li>• Group and Specialized Marketing activities will assist Palestinian companies in reaching global markets, developing promotional materials and products that meet international standards and provide continuous market intelligence.</li> <li>• USAID Compete is supporting and facilitating the development of group and specialized marketing consortiums to represent second tier stone and marble producers.</li> </ul>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/FY2</u></p> <ul style="list-style-type: none"> <li>• Two marketing groups were created in the industry and further developed their portfolios and the scope of representative companies.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Link global buyers with Palestinian producers.</li> <li>• Provide firms with access to creative marketing materials that will support export development.</li> <li>• Export growth.</li> </ul>
<b>Filter Press Evaluation and Upgrading</b>	
<p><i>Description</i></p> <p>Facilitate proper maintenance and upgrading of filter presses to increase their overall effectiveness; produce higher quality products; extend the lifecycle of cutting tools; comply with environmental regulations, and capture slurry produced during the cutting process.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q3/ FY2</u></p> <ul style="list-style-type: none"> <li>• Signed a contract with Lamar Import and Marketing for the maintenance of 23 filter press machines in the Hebron Industrial Zone.</li> <li>• Hired an Engineer to monitor and evaluate the filter press program.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Enabling stone producers to transform slurry to sludge to meet environmental requirements, recycle water and increase cutting tool lifecycle.</li> <li>• Will increase effectiveness, higher quality products are produced, short the lifecycle of cutting tools, recycle water for the stone producers, comply with environmental regulations and capture all slurry produced during the cutting of stone</li> </ul>
<b>Sludge New Product Development</b>	
<p><i>Description</i></p> <p>As part of project efforts to support the sustainability and transformation of the Stone and Marble sector there has been a great focus on the sludge issue or more specifically the ability to transform slurry to sludge that has further economic value. Compete will conduct a feasibility analysis and assist</p>	

**TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE  
USAID COMPETE PROJECT Q3/FY2**

in cost and financial planning for the production of new sludge-based products and processing production.

<b>Achievements</b>	<b>Impact</b>
<u>Q3/ FY2</u> <ul style="list-style-type: none"> <li>Expo Works Plus, a local company based in Ramallah, was awarded the contract to conduct the Sludge New Product study, which was launched June 1.</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>This activity will attract investors interested in new product development using dry sludge. Activities will focus on targeting stone producers throughout the stone industry as potential investors. This program will be open to potential investors in other industries and potentially Palestinian expatriates.</li> </ul>

**Filter Press Cost Sharing Cross-Sector Program**

*Description*

To provide an equal opportunity for stone producers to own filter presses to transform slurry to sludge, meet environmental requirements; recycle water and increase cutting tool lifecycle.

<b>Achievements</b>	<b>Impact</b>
<u>Q3/ FY2</u> <ul style="list-style-type: none"> <li>Launched the New Filter Press Program in Hebron</li> <li>31 stone producers vetted</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>This activity will enable stone producers to transform slurry to sludge, meet environmental regulations, and expand their income by engaging in new product development using sludge.</li> </ul>

**Updates for Other Stone & Marble Activities in the Work Plan**

- Export to Hire Program / Export Managers (Identify and hire international export managers linked to group marketing companies):
  - Preparing the selection criteria customized to meet the sector requirements.
- Recycling Technology (A local company will be collaborating with the Women Union to hire female employees and create new products):
  - Preparations to design the program to target the women employment in the sector.
- PPU Stone Center (Training current and previous graduates on using new machines).
- PPU Stone Center (Graduate to Hire Program):
  - UNIDO/Stone Center workshops conducted to prepare a new curriculum. Based on the new curriculum, the Polytechnic Stone Center will be submitting a proposed by end of July.

**Lessons Learned**

The *Coverings* trade show in April provided valuable lessons learned for future trade shows. The Stone & Marble team needs to spend more time assessing the target market and conducting research on current trends. Other pre-show preparations include price lists, converting measurements from metric to imperial systems, buyer research and organizing meetings in advance for Palestinian exhibitors. At *Coverings* it was also evident that U.S. buyers were attracted to finished or decorative items versus only raw samples; accordingly, Compete’s Stone team is preparing an innovative campaign for the upcoming *Verona* trade show (Italy).

## SUMMARY OF PROGRESS TOWARD INDICATORS

The following table is a report of all indicators specified in the PMP for the period of April 1, 2013 to June 30, 2013.

**TABLE 1: SUMMARY OF PROGRESS TOWARD INDICATIONS FOR ALL SECTORS**  
**Complete Project FY2/ Q2**

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY1	Actual Value for FY1	Planned Value for FY2	Actual Value for FY2/ Q1	Actual Value for FY2/ Q2	Actual Value for FY2/ Q3	% to-date
4.5.2	Agricultural Sector Productivity	4.5.2-36	OP Indicator	Agri	Value of exports of targeted agricultural commodities as a result of USG assistance	Decimal	35,926,562	FY12	5,000,000	1,072,500	10,000,000	1,271,676	12,301,663	604,388 <sup>1</sup>	140%
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C08	OP Indicator	ICT	Number of assisted Information and Communication Technology (ICT) start-ups that have developed products or signed contracts	Integer	0	FY12	10	10	20 <sup>2</sup>				N/A
4.2.2	Trade and Investment Capacity	4.2.2-C11	OP Indicator	Tourism	Number of new or improved assisted tourism sites and tourism trails	Integer	0	FY12	0	0	5 <sup>3</sup>				N/A
4.6.2	Private Sector Capacity	4.6.2-C02	OP Indicator	Tourism	Percent of hotels adopting nationally-adopted, USAID-introduced hotel classification	Percentage	100	FY12	0	0	35%			20% <sup>4</sup>	77%
4.2.2	Trade and Investment Capacity	4.2.2-C12	OP Indicator	Stone & Marble	Value of exports through group and specialized Palestinian stone and marble marketing companies and consortia	Integer	0	FY12	0	0	5,500,000	5,247,000	772,500	412,862	116%

<sup>1</sup> The outcome from tradeshows far exceeded expectations; the increase in exports is primarily from tradeshows and forward contracting.

<sup>2</sup> Activities supporting entrepreneurship and start-ups by e-Zone and Seed Fund activity have begun; the indicators will be tracked during the 4<sup>th</sup> Quarter.

<sup>3</sup> A number of factors have led to a delay in trail development: delays in the issuing of permits to work on the trails; and excess delays in vetting affecting development of the activity. Compete has finalized contracts to start physical work on 5 trails in the next quarter.

<sup>4</sup> The Hotel Classification Committee started work during this quarter to classify all 87 hotels in West Bank. By Palestinian law, all hotels have to adopt the new system; hence, more than 27 West Bank hotels submitted their self-assessment forms. The Committee visited 18% of hotels for assessment and classification. In some cases the process is delayed by required hotel renovations. Compete expects that 20% of hotels will be classified by end of the next quarter.

**TABLE 1: SUMMARY OF PROGRESS TOWARD INDICATIONS FOR ALL SECTORS**  
**Compete Project FY2/ Q2**

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY1	Actual Value for FY1	Planned Value for FY2	Actual Value for FY2/ Q1	Actual Value for FY2/ Q2	Actual Value for FY2/ Q3	% to-date
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C05	OP Indicator	Agri	Number of hectares under improved technologies or management practices as a result of USG assistance	Integer	0	FY12	2000 dunums 200 hectares	2148 dunums 214.8 hectares	6000 dunums 600 hectares	366 dunums 36.6 hectares	795 dunums 79.5 hectares	831 dunums 83.1 hectares <sup>5</sup>	33%
4.5.2	Agricultural Sector Productivity	4.5.2-C02	OP Indicator	Agri	Number of new or improved Palestinian products produced by assisted Palestinian agribusiness firms	Integer	0	FY12	5	5	35	3	59 <sup>6</sup>		177%
4.5.2	Agricultural Sector Productivity	4.5.2-7	OP Indicator	Agri	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	Integer	N/A	FY13			100	611	715	332 <sup>7</sup>	1430%
4.2.2	Trade and Investment Capacity	4.2.2-C02	Management Indicator	Agri	Percent increase in exports of assisted Palestinian agribusiness firms	Percentage	35,926,562	FY12	5%	3%	28%	4%	34%	2%	142%
4.2.2	Trade and Investment Capacity	4.2.2-C03	Management Indicator	Tourism	Percent increase in exports of assisted Palestinian tourism firms	Percentage	56,674,923	FY12	0%	0	5% <sup>8</sup>				N/A

<sup>5</sup> Improved technologies as a result of Compete intervention includes: sprayer, irrigation pipes, upgrading nurseries, upgrading fresh herb facilities and saline water demos. Activities such as IPM, upgrading of guava, and grape sectors, TWW applications, and areas cultivated using technologically improved seedlings will be tracked during the 4<sup>th</sup> Quarter.

<sup>6</sup> USAID Compete interventions with nurseries include grafting and GAP assessment. Closing key gaps led to improvements in all seedling varieties (an additional 30) in the nurseries, as well as the development of new products as a result of tradeshow participation.

<sup>7</sup> The olive oil supplementary irrigation project was intended to train 60 direct plot beneficiaries. Due to the high success of the activity it was decided to disseminate the knowledge through training workshops to neighboring farmers (over 1000), in addition to capacity building for date farmers, packaging and labeling, and on adopting international standards.

<sup>8</sup> USAID deceleration plan affected the activities aimed at promoting the Palestinian Tourism sector; consequently, the tourism season was missed.

**TABLE 1: SUMMARY OF PROGRESS TOWARD INDICATIONS FOR ALL SECTORS**  
**Complete Project FY2/ Q2**

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY1	Actual Value for FY1	Planned Value for FY2	Actual Value for FY2/ Q1	Actual Value for FY2/ Q2	Actual Value for FY2/ Q3	% to-date
4.2.2	Trade and Investment Capacity	4.2.2-C04	Management Indicator	ICT	Percent increase in exports of assisted Palestinian Information and Communication Technology (ICT) firms	Percentage	5,075,600	FY12	3%	2%	5%	0.5%	3.3%	5% <sup>9</sup>	176%
4.2.2	Trade and Investment Capacity	4.2.2-C05	Management Indicator	Stone & Marble	Percent increase in exports of assisted Palestinian stone and marble firms	Percentage	20,573,475	FY12	0%	0	26%	25.5%	3.8%	2%	120%
4.2.2	Trade and Investment Capacity	4.2.2-C06	Management Indicator	ICT	Percent increase in sales of assisted Palestinian Information and Communication Technology (ICT) firms	Percentage	8,308,269	FY12	3%	2%	5%	0.3%	2.0%	3%	106%
4.2.2	Trade and Investment Capacity	4.2.2-C07	Management Indicator	Stone & Marble	Percent increase in sales of assisted Palestinian stone and marble firms	Percentage	30,046,475	FY12	0%	0	18%	17.5%	2.6%	1%	117%
4.2.2	Trade and Investment Capacity	4.2.2-C08	Management Indicator	Agri	Number of new markets accessed by assisted Palestinian agribusiness firms	Integer	7.00	FY12	0	0	4	1	13 <sup>10</sup>		350%
4.2.2	Trade and Investment Capacity	4.2.2-C09	Management Indicator	ICT	Number of new markets accessed by assisted Palestinian Information and Communication Technology (ICT) firms	Integer	2.00	FY12	0	0	3	2			66%
4.2.2	Trade and Investment Capacity	4.2.2-C10	Management Indicator	Stone & Marble	Number of new markets accessed by assisted Palestinian stone and marble firms.	Integer	6.00	FY12	0	0	4	2	2		100%

<sup>9</sup> Intel has decided to increase the size of the project with ASAL and Jaffa Net.

<sup>10</sup> The number of new markets accessed was measured through the new geographical markets accessed by beneficiaries.

**TABLE 1: SUMMARY OF PROGRESS TOWARD INDICATIONS FOR ALL SECTORS**  
**Complete Project FY2/ Q2**

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY1	Actual Value for FY1	Planned Value for FY2	Actual Value for FY2/ Q1	Actual Value for FY2/ Q2	Actual Value for FY2/ Q3	% to-date
4.2.2	Trade and Investment Capacity	4.2.2-C13	Management Indicator	ICT	Number of new Information and Communication Technology (ICT) contracts executed with international buyers/firms for Palestinian products or services	Integer	0	FY12	6	4	8	1		3 <sup>11</sup>	50%
4.2.2	Trade and Investment Capacity	4.2.2-C14	Management Indicator	Tourism	Percentage increase of overnight stays in Palestinian hotels from key tourism source markets	Percentage	252,574	FY12	0	0	5% <sup>12</sup>				N/A
4.5.2	Agricultural Sector Productivity	4.5.2-C01	Management Indicator	Agri	Percent increase in sales of assisted Palestinian agribusiness firms	Percentage	103,000,000	FY12	5%	1%	16%	0.25%	14.4%	1%	98%
4.5.2	Agricultural Sector Productivity	4.5.2-C03	Management Indicator	Agri	Percentage increase in area under cultivation for export crops (hectares)	Percentage	360	FY12	10%	9%	17.5%	19%			108%
4.5.2	Agricultural Sector Productivity	4.5.2-C04	Management Indicator	Agri	Additional liters produced by farmers adopting olive oil demo technologies	Integer	7,200	FY12	12000	13200	60,000 <sup>13</sup>				N/A
4.5.2	Agricultural Sector Productivity	4.5.2-C05	Management Indicator	Agri	Number of fresh herb farmers adopting integrated pest management (IPM)	Integer	0	FY12	20	23	253			168	66%
4.5.2	Agricultural Sector Productivity	4.5.2-C06	Management Indicator	Agri	Number of new agribusiness contracts executed with international buyers/firms for Palestinian products or services	Integer	0	FY12	6	2	10	3	11 <sup>14</sup>		140%

<sup>11</sup> Projects like Infinitie Tiers, Art Tech, and I-connect have already started and will be tracked during the 4<sup>th</sup> Quarter.

<sup>12</sup> USAID deceleration plan affected the activities aimed at promoting the Palestinian Tourism sector; consequently, the tourism season was missed.

<sup>13</sup> This indicator will be reported in the next fiscal year due to the harvest season being in Oct.-Dec.

<sup>14</sup> The outcome from forward contracting activity far exceeded expectations.

**TABLE 1: SUMMARY OF PROGRESS TOWARD INDICATIONS FOR ALL SECTORS**

Complete Project FY2/ Q2

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY1	Actual Value for FY1	Planned Value for FY2	Actual Value for FY2/ Q1	Actual Value for FY2/ Q2	Actual Value for FY2/ Q3	% to-date
4.6.2	Private Sector Capacity	4.6.2-C01	Management Indicator	Tourism	Percent increase in number of bed nights in Palestinian hotels	Percentage	863,947	FY12	0	0	5% <sup>15</sup>				N/A
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C01	Management Indicator	Agri	Percent increase in employment of assisted Palestinian agribusiness firms	Percentage	1,690.00	FY12	0	0	5% <sup>16</sup>	0.30%	1.2%	50%	1050%
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C02	Management Indicator	Tourism	Percent increase in employment of assisted Palestinian tourism firms	Percentage	2,251	FY12	0	0	2% <sup>17</sup>				N/A
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C03	Management Indicator	ICT	Percent increase in employment of assisted Palestinian Information and Communication Technology (ICT) firms	Percentage	339	FY12	10%	9%	20%	1%	1%	9% <sup>18</sup>	55%
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C04	Management Indicator	Stone & Marble	Percent increase in employment of assisted Palestinian stone and marble firms	Percentage	471	FY12	0	0	9%	3%	0.2%	1% <sup>19</sup>	47%
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C06	Management Indicator	Tourism	Number of training courses developed and delivered through the USAID - established hospitality school	Integer	0	FY12	0	0	20	1	2	2 <sup>20</sup>	25%

<sup>15</sup> USAID deceleration plan affected the activities to promote Palestinian Tourism sector; however, Ministry of Tourism and Antiquities data reveals an increase of 2.1% during the 3<sup>rd</sup> quarter 2013 over 2012. Please note: 2012 was a 29.6% increase over 2011.

<sup>16</sup> The outcome from forward contracting activity far exceeded expectations; primarily seasonal workers were employed.

<sup>17</sup> Hotel Classification was launched last quarter and results will be captured during the 4<sup>th</sup> Quarter and coming year.

<sup>18</sup> Projects like Infinite Tiers, Art Tech, and I-connect have already started and will be tracked during the 4<sup>th</sup> Quarter.

<sup>19</sup> Employment will increase once we start the employment activity with Polytechnic University and the recycling technology program activity.

<sup>20</sup> Compete designed this intervention to have different training courses under different major headings such as TRAC training which has more than 10 different training courses. However; we are considering TRAC training and all its sub courses as one training which affects the final total number of training courses delivered.

**TABLE 1: SUMMARY OF PROGRESS TOWARD INDICATIONS FOR ALL SECTORS**  
**Complete Project FY2/ Q2**

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY1	Actual Value for FY1	Planned Value for FY2	Actual Value for FY2/ Q1	Actual Value for FY2/ Q2	Actual Value for FY2/ Q3	% to-date
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C07	Management Indicator	Tourism	Number of Palestinian tourism and hospitality establishments adopting new technology and tools. (such as booking platforms, payment gateways, market access information and corporate social media presence)	Integer	0	FY12	5	39	5	8 <sup>21</sup>			160%
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C09	Management Indicator	ICT	Number of new Information and Communication Technology (ICT) start-up companies established	Integer	0	FY12	2	1	5	0 <sup>22</sup>			N/A
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C10	Management Indicator	Stone & Marble	Number of Palestinian stone and marble firms adopting new technologies or investing in new equipment	Integer	0	FY13	0	0	30 <sup>23</sup>				N/A
GNDR-2			Management Indicator	All Sectors	Proportion of female participants in USG-assisted program designed to increase access to productive economic resources (assets, credit, income or employment)	Percentage	N/A	FY13	NA	NA	22%	17.5%	10.4%	34% <sup>24</sup>	185%
4.6.2	Private Sector Capacity	4.6.2-C03	Management Indicator	All Sectors	Number of assisted private sector organizations and private sector service providers receiving USG assistance	Integer		FY13			15			8	53%

<sup>21</sup> More hotels and tour operators asked for web clinics consultancy after attending digital workshops.

<sup>22</sup> Due to a persistent delay in vetting, the Investors Seed Fund activity was postponed and will be tracked during the 4<sup>th</sup> Quarter.

<sup>23</sup> The targets for adopting new technology are based on the New Filter Presses and due to a delay in vetting, procurement is expected during the 4<sup>th</sup> Quarter.

<sup>24</sup> The outcome from workshops and seasonal workers far exceeded expectations.

**TABLE 1: SUMMARY OF PROGRESS TOWARD INDICATIONS FOR ALL SECTORS**  
**Complete Project FY2/ Q2**

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY1	Actual Value for FY1	Planned Value for FY2	Actual Value for FY2/ Q1	Actual Value for FY2/ Q2	Actual Value for FY2/ Q3	% to-date
4.6.2	Private Sector Capacity	4.6.2-C04	Management Indicator	All Sectors	Number of new services provided by targeted business service providers and business service organizations to targeted sectors by the Complete Project	Integer		FY13			2			18 <sup>25</sup>	900%
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C11	Management Indicator	All Sectors	Percentage increase in number of firms that received services from business service organizations and business service providers as a result of USG assistance	Percentage		FY13			10%			12%	120%
4.2.2	Trade and Investment Capacity	4.2.2-C15	Management Indicator	All Sectors	Percentage increase in revenues of business service organizations from new services delivered to their members as a result of USG assistance	Percentage		FY13			10%			57% <sup>26</sup>	570%

<sup>25</sup> Enabling service providers to reach the market unlocked new opportunities, particularly discovering untapped needs. Diyafa and PalTrade, for example, are providing four new services each as a result of introducing them to the market.

<sup>26</sup> Ibid.

## 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>27</sup>. While Stone & Marble exemplifies a more traditional manufacturing industry with limited numbers of women and youth, the Tourism, ICT and Agribusiness sectors show encouraging signs of efforts to reduce gender gaps. Over the last quarter there were several workshops and trainings with a youth and gender component.

### Youth & Gender

This quarter the Agribusiness team held four workshops/demos to support awareness and skill building in the agriculture community.

- Quality system training at Mahareeq Slaughter House Co: Total of 17 participants, including one female and 13 youths;
- Saline Water Workshop: Total of 63 participants, including 4 females and 11 youths;
- Trade Show follow up workshop (*Gulfood/Fruit Logistica*): Total of 24 participants, including 1 female and 1 youth;
- Olive oil demos: Total of 90 participants, including 6 females and 8 youths.

This quarter the Tourism team delivered 3 awareness workshops for investors and owners in the hospitality sector. The purpose of these workshops was to provide a high level overview of the newly introduced Palestinian Hotel Classification System.

- Bethlehem workshop: total of 32 participants including 5 females and 5 youths
- Ramallah workshop: total of 29 participants including 6 females and 5 youths
- Jerusalem workshop: total of 25 participants including 4 females and 3 youths

As part of efforts to strengthen the hospitality sector, USAID Compete delivered four TRAC (Train – Retain – Assess – Certify) trainings this quarter for supervisors, managers and frontline staff in the hospitality sector.

- A total of 64 participants received TRAC training, including 20 females and 58 youths.

The ICT sector delivered three skills trainings this quarter:

- Content Creation Workshop: Total of 18 participants, including 4 females and 8 youths.
- ASAL Technologies training: Total of 6 participants, including 2 females. All participants classify as youth.
- Training on salesforce technology and development: Total of 30 participants, including 13 females; all participants were youths (under 30 years of age.)

---

<sup>27</sup> Defined by USAID as age 14 to 29

## M&E ACCOMPLISHMENTS

During the third quarter of FY2, the Monitoring and Evaluation (M&E) team continued its efforts in tracking and evaluating performance data from project activities, and conducting field visits to witness on the ground Compete progress towards goals and objectives. Two audits from USAID were carried out to ensure that the Compete project has met USAID regulations. Other key accomplishments for the M&E team this quarter include:

- Reflected and integrated all the changes and additions on the new version of Geo-MIS as well as continued opening and updating USAID Compete activities and interventions;
- Conducted three online surveys to evaluate USAID Compete events and tradeshow to get participants' feedback and comments;
- Led Data Quality Assessment "DQA" to ensure that the Compete project has met USAID DQ standards in accordance with ADS 203.3.5.1. by preparing for the audit and gathering all required support documents for submission to the auditors;
- Facilitated Compliance Review of Compete with regard to Mission Order No. 21 under the new protocols. The review process covered the period of Apr. 1, 2012 - Feb. 28, 2013;
- Conducted numerous field visits and interviews with Compete technical staff across the West Bank to project beneficiaries to track the progress and capture the intended results against indicators;
- Worked with Communications team to submit project progress reports.



M&E team visiting Atta Abu Al Rub nursery, July 2013

### Lessons learned

The M&E team worked very hard to facilitate the audit process by preparing and gathering all required support documents for submission to the auditors. After the audit, the M&E team responded positively to address the findings by updating their system for data quality requirements.

A key lesson learned from three USAID audits conducted within four months is that knowing what is missing or what can be improved upon from the beginning of the project is very useful and valuable for capturing better quality of data and for implementing the project.

## **SUBCONTRACTS AND GRANTS**

During the third quarter of the second year of the project (April 1 - June 30, 2013), the Compliance and Grants team continued to work closely with the technical staff to ensure an agile and streamlined implementation of technical activities performed in a manner compliant with USAID regulations and the special requirements of the Mission.

### **Achievements during Q3**

Activity procurement continued, including design services for tourism sites, registration for trade shows, laboratory and agricultural inputs to upgrade facilities, and event management.

Eleven (11) grants totaling \$1,185,615 were executed during the quarter with an additional 4 in the concept/negotiation phase.

The Compliance and Grants team worked closely with the Finance team to complete the monthly SubAward Reporting as required under Mission Notice 2009-WBG-11.

During this quarter, 444 new requests for vetting were submitted to USAID for individuals and organizations. Eligibility/Ineligibility Notices for 405 outstanding requests were received.

The Compliance and Grants team was expanded to add a Procurement and Grants Manager. This additional resource has increased the efficiency of the team especially for the procurement of activity related goods and commodities.

### **Goals and Future Activities**

The Compliance and Grants team will continue to focus on supporting the technical components to implement an effective and compliant project. In Q4, the Compliance and Grants team anticipates supporting international trade shows, third country participant training, and major technical assistance to the Stone & Marble industry encompassing large equipment procurement and a maintenance program for existing equipment.

The Compliance and Grants team will work in coordination with the Monitoring & Evaluation team to perform site visits to grantees, pilot projects, and other project sites and events to resolve any compliance issues that may arise.

## **ISSUES THAT MAY INHIBIT OR ENHANCE PERFORMANCE**

### **Vetting**

In the final audit report on USAID Compete received on May 27, 2013 from the Regional Office of the Inspector General there was recognition that the project team was in full compliance with Mission Order 21 and that delays in the processing of the vetting requests together with delays in funding obligation had a negative impact on the pace of project implementation and impact. The report also stated that from March 2013 onward the vetting process had improved which unfortunately reversed in direction during the April/May/ June Q3 time period.

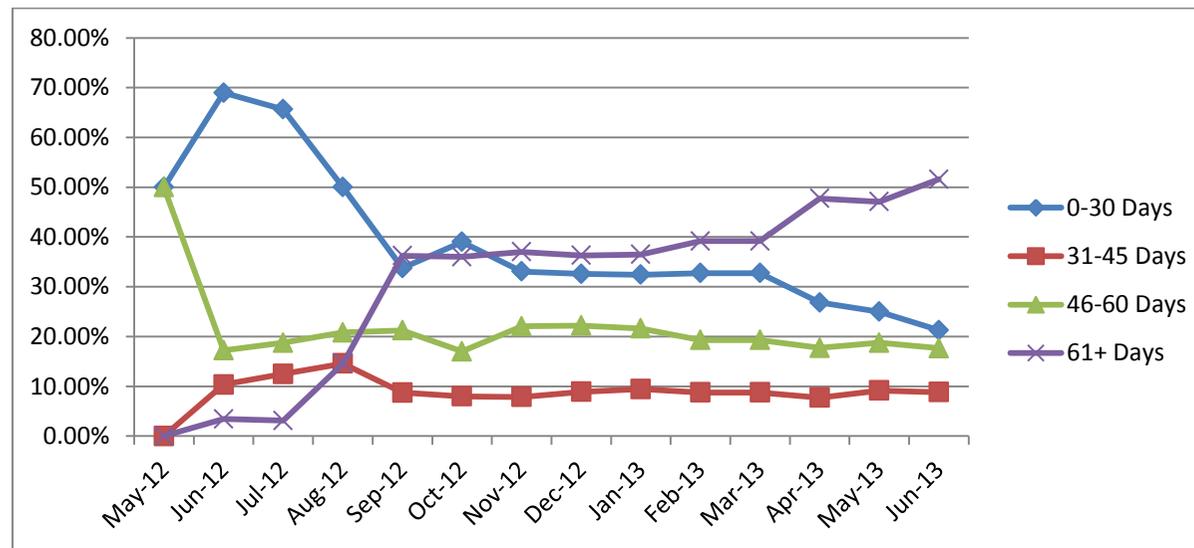
As the tables below and the tracking graphs reflect, during Q3 nearly every category of individuals or companies submitted by USAID Compete for vetting under Mission Order 21 has witnessed a sharp deterioration of the time period between the submission and receipt of vetting approval.

In the most critical company partners of USAID Compete, over 50% of firms submitted for vetting require at least 60 days or more before a response from the USG vetting system is received, delaying the ability of USAID Compete to engage in implementation. This seeming relentless deterioration in response damages credibility of the project and USAID with client beneficiaries leading to lost momentum as well as the questionable effectiveness of the vetting system's ultimate purpose to defend legitimate and timely security concerns.

The tables below and the tracking graphs reflect how the time period between the submission and receipt of vetting approval continues to deteriorate for businesses.

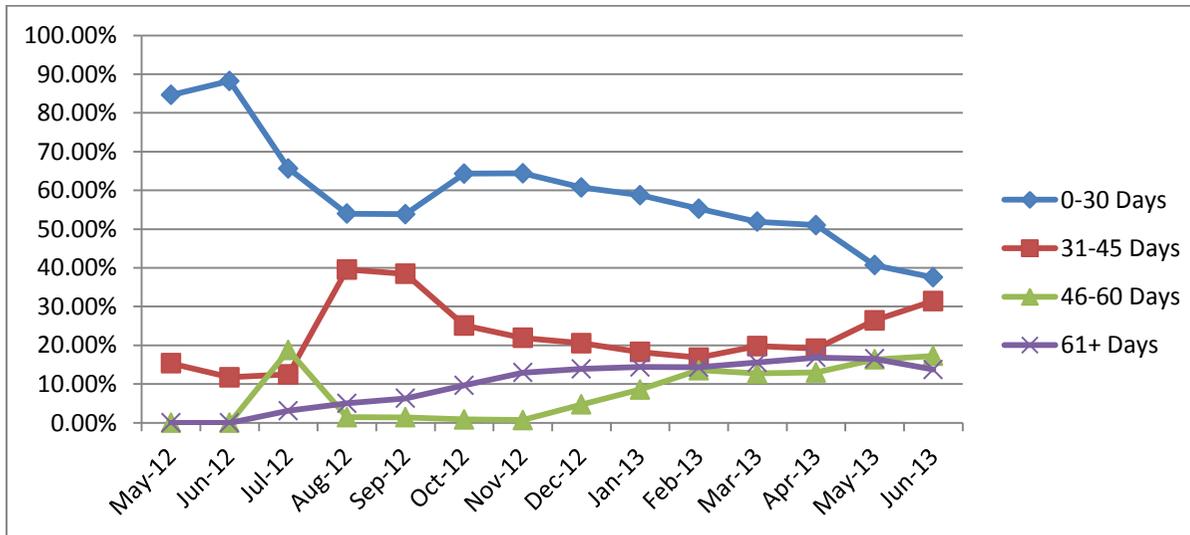
**TABLE 6: VETTING ANALYSIS – COMPANIES  
COMPLETE PROJECT MAY 2012 - JUNE 30, 2013**

	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
<b>0-30 Days</b>	50.00%	68.97%	65.63%	50.00%	33.75%	39.00%	33.07%	32.59%	32.43%	32.75%	32.75%	26.82%	25.00%	21.29%
<b>31-45 Days</b>	0.00%	10.34%	12.50%	14.58%	8.75%	8.00%	7.87%	8.89%	9.46%	8.77%	8.77%	7.73%	9.17%	8.83%
<b>46-60 Days</b>	50.00%	17.24%	18.75%	20.83%	21.25%	17.00%	22.05%	22.22%	21.62%	19.30%	19.30%	17.73%	18.75%	17.67%
<b>61+ Days</b>	0.00%	3.45%	3.13%	14.58%	36.25%	36.00%	37.01%	36.30%	36.49%	39.18%	39.18%	47.73%	47.08%	51.59%



**TABLE 7: VETTING ANALYSIS – INDIVIDUALS  
COMPLETE PROJECT MAY 2012 - JUNE 30, 2013**

	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
<b>0-30 Days</b>	84.62%	88.24%	65.63%	53.96%	53.85%	64.32%	64.39%	60.76%	58.73%	55.28%	51.89%	51.03%	40.70%	37.55%
<b>31-45 Days</b>	15.38%	11.76%	12.50%	39.57%	38.46%	25.11%	21.94%	20.57%	18.28%	16.83%	19.81%	19.13%	26.43%	31.43%
<b>46-60 Days</b>	0.00%	0.00%	18.75%	1.44%	1.40%	0.88%	0.72%	4.75%	8.59%	13.57%	12.74%	12.98%	16.35%	17.28%
<b>61+ Days</b>	0.00%	0.00%	3.13%	5.04%	6.29%	9.69%	12.95%	13.92%	14.40%	14.32%	15.57%	16.86%	16.52%	13.74%



## ANNEXES

### Annex 1: Media Monitoring Report

USAID Compete activities gained press coverage from local outlets and at times in regional specialized media outlets this quarter. The following report details media coverage from the five press releases that were produced in the third quarter.

**Event/initiative:** Coverings Tradeshow

**Sector:** Stone and Marble

**Date:** 8/5/2013

**Media Coverage:**

<http://wafa.ps/arabic/index.php?action=detail&id=153358>

<http://www.al-ayyam.com/pdfs/9-5-2013/p21.pdf>

<http://www.alhayat-j.com/newsite/newspaper/index.php>

[Al Quds newspaper page 22](#)

**Event/initiative:** Saline Water Treatment workshop

**Sector:** Agribusiness

**Date:** 12/5/2013

**Media Coverage:**

<http://pnn.ps/index.php/local/54404-غور-الأردن-ملوحة-المياه-في-غور-الأردن-كهر-ومغناطيسياً>

<http://www.maannews.net/arb/ViewDetails.aspx?ID=595012>

<http://www.al-ayyam.com/pdfs/14-5-2013/p22.pdf>

**Event/initiative:** Launch of New Filter Press Program

**Sector:** Stone and Marble

**Date:** 21/5/2013

**Media Coverage:**

<http://www.maannews.net/arb/ViewDetails.aspx?ID=597794>

<http://www.alhayat-j.com/newsite/newspaper/index.php>

<http://www.wafa.ps/arabic/index.php?action=detail&id=154131>

<http://www.al-ayyam.com/pdfs/22-5-2013/p22.pdf>

**Event/initiative:** Sludge new product pre-feasibility study

**Sector:** Stone and Marble

**Date:** 9/6/2013

**Media Coverage:**

<http://www.maannews.net/arb/ViewDetails.aspx?ID=603352>

<http://www.wafa.ps/arabic/index.php?action=detail&id=155150>

<http://www.pnn.ps/index.php/economy/57499-التحضير-لتصنيع-منتجات-جديدة-من-مخلفات-الحجر-الروية-57499>

<http://www.al-ayyam.com/pdfs/10-6-2013/p20.pdf>

<http://www.alhayat-j.com/newsite/newspaper/index.php> Page 16

**Event/initiative:** Launch of Arabrenuer Seed Fund

**Sector:** ICT

**Date:** 16/6/2013

**Media Coverage:**

<http://pnn.ps/index.php/home/pnn/services/website/2012-01-11-16-33-28/58300-الرياديين-لدعم-اتفاقية-توقيع-الله-ام-الناشئة-والشركات-الفلسطينيين>

<http://wafa.ps/arabic/index.php?action=detail&id=155555>

<http://www.maannews.net/arb/ViewDetails.aspx?ID=605488>

<http://www.al-ayyam.com/pdfs/17-6-2013/p24.pdf>

<http://www.alhayat-j.com/newsite/newspaper/index.php> page 15

<http://ghad.ps/110940.html>

<http://www.ameinfo.com/usaidsupportsangelinvestorseedfundpalestinianterritories345584>

<http://www.wamda.com/2013/07/palestine-gets-its-first-seed-fund-supported-by-mena-apps-and-usaid>

## Annex 2: SUMMARY OF PROGRESS BY SECTOR CUMULATIVE ARCHIVE

### AGRIBUSINESS

#### Progress toward Indicators

The following chart outlines key achievements, impact and evaluation of Agribusiness activities from the beginning of the project to Mar 31, 2013.

TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS USAID COMPETE PROJECT CUMULATIVE	
<b>Fresh Herbs Sector</b>	
<i>Description</i>	
<ul style="list-style-type: none"> <li>• Create a fresh herbs organization to adapt a protocol of best practices in order to satisfy international market standards and USDA-APHIS requirements.</li> <li>• Upgrade fresh herb facilities to comply with Integrated Pest Management systems (IPM) and USDA requirements</li> </ul>	
<b>Achievements</b>	<b>Impact</b>
<u>FY1</u> <ul style="list-style-type: none"> <li>• Completed Gap Assessments benchmark against Integrated Pest Management System (IPM) for the major 23 producers.</li> </ul> <u>Q1 /FY2</u> <ul style="list-style-type: none"> <li>• Five individuals were identified as board members for the not-for-profit company – “The Palestinian Fresh Herbs Producers Co.”</li> <li>• Internal system for the not-for-profit company has been finalized.</li> <li>• <i>Thimar</i> began implementing GLOBALGAP, British Retail Consortium, and ISO 22000.</li> </ul> <u>Q2/ FY2</u> <ul style="list-style-type: none"> <li>• Fresh herb producers signed all needed legal documents at the Ministry of National Economy.</li> <li>• <i>Thimar</i> is certified with GLOBALGAP.</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>• One unified voice with strong bargaining powers;</li> <li>• Enforcing quality competitiveness standards;</li> <li>• Higher productivity and lower cost /dunum.</li> </ul> <u>Q2/FY2:</u> <p>A “traceability training” was conducted for 37 male employees of <i>Thimar Co.</i></p>
<b>Olive Oil Sector</b>	
<i>Description</i>	
Expand olive production, quality and competitiveness through 60 demo plots that employ supplementary irrigation, tree maintenance, harvest/post-harvest activities.	
<b>Achievements</b>	<b>Impact</b>
<u>FY1</u> <ul style="list-style-type: none"> <li>• Established 60 olive roll outs on supplementary irrigation throughout the West Bank.</li> <li>• Supplementary irrigation, humic acid, and installation of traps completed.</li> </ul> <u>Q1 /FY2</u> <ul style="list-style-type: none"> <li>• Results have been disseminated to all stakeholders through a series of workshops and onsite training.</li> <li>• An additional 120 farmers implemented supplementary irrigation.</li> </ul> <u>Q2/ FY2</u>	<u>Q2/ FY2:</u> <ul style="list-style-type: none"> <li>• \$380,767 USD value of exports to Dubai, Kingdom of Saudi Arabia (KSA), Jordan, USA, and Israel.</li> <li>• \$14,513 USD value of local sales.</li> </ul>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

<ul style="list-style-type: none"> <li>• Workshops in several governorates were held with a total of 641 participants up to March 2013.</li> <li>• 25 workshops were conducted between January and March 2013 in different governorates.</li> <li>• Treated Wastewater (TWW) demo microbial</li> </ul>	
<b>Date Sector</b>	
<p><i>Description</i></p> <ul style="list-style-type: none"> <li>• Create long-term sustainability and open new markets through the adoption of international quality standards.</li> <li>• Date Pollen Facility – Start/upgrade date pollen facilities in the West Bank; presently 90% of date pollen is brought from Israel through cost sharing of inputs required for the simple technology required to capture and distribute date pollen.</li> </ul>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• In order to monitor the threat of the Red Palm Weevil (RPW) to the Date sector, USAID Compete – through an MOU signed with the MoA and a grant with the Date Cooperative – provided 200 traps to be installed over 637 hectares of Palm date orchards in the Jordan Valley.</li> <li>• Supported the <i>Nakheel Palestine</i> Company in obtaining international accreditation in quality systems.</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>• Traps delivered to cooperative and installed.</li> <li>• Traps training workshops completed.</li> <li>• <i>Nakheel Palestine Co.</i> (date exporter) began implementing GLOBALGAP, British Retail Consortium, and ISO 22000. The company will be certified in GLOBAL GAP in January 2013.</li> </ul> <p><u>Q2/ FY2</u></p> <ul style="list-style-type: none"> <li>• <i>Nakheel Palestine Co.</i> is certified with GLOBAL GAP &amp; ISO22000.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Increase the competitiveness of Palestinian products in international markets through meeting food safety standards;</li> <li>• Assess this issue in the Jordan Valley in order to prevent Red Palm Weevil (RPW) outbreak.</li> </ul> <p><u>Q2/FY2:</u> \$55,983 USD value of exports as a result of <i>Nakheel Palestine's</i> adoption of international standards (GLOBAL GAP &amp; ISO22000).</p>
<b>Meat and Dairy Sector</b>	
<p><i>Description</i></p> <p>Upgrade Meat &amp; Dairy facilities to maintain current markets in East Jerusalem and to open new export links.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• Lab equipment for 7 meat and dairy companies and Al Salam Group was identified for upgrading the facilities and maintaining East Jerusalem market.</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>• Identified lab equipment.</li> <li>• RFQ have been launched for upgrading of</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Preserve current market share;</li> <li>• Remain competitive in East Jerusalem;</li> <li>• Improve the productivity and quality of meat and dairy products.</li> </ul>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

<p>meat and dairy facilities</p> <ul style="list-style-type: none"> <li>• Awaiting contract award (pending funds).</li> <li>• <i>Al Mahareeq Slaughter House</i> began implementing ISO 22000.</li> </ul> <p><u>Q2/ FY2</u></p> <ul style="list-style-type: none"> <li>• Compliance department to announce RFQ winners and issued 6 purchase orders in April 2013.</li> </ul>	
<b>Trade Show Participation</b>	
<p><i>Description</i></p> <p>Assist Palestinian food processors to exhibit their products at international trade shows in order to attract product buyers, enter into negotiations and receive export orders.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• USAID Compete supported 4 agribusinesses to exhibit at the 2012 Fancy Food Show in Washington and created business leads, new market linkages, and signed contracts.</li> <li>• Compete supported 11 companies representing the main sub-contractor in agriculture to walk the 2012 Moscow World Food and organized B2B meetings.</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>• USAID Compete signed a grant with <i>Agripal B&amp;S for Agricultural Investment</i> to assist the company in exhibiting fresh produce, dates and fresh herbs under a Palestinian Pavilion at the World of Perishables Show in Dubai. The company also took farmers to walk the show.</li> <li>• Signed subcontract with PalTrade for Fruit Logistica and Gulfood.</li> <li>• Two export awareness workshops were conducted by <i>Lausanne Trade Co.</i></li> </ul> <p><u>Q2 /FY2</u></p> <ul style="list-style-type: none"> <li>• 6 exhibitors and 3 walkers participated in Fruit Logistica.</li> <li>• 6 exhibitors and 3 walkers participated in Gulfood.</li> <li>• Booths booked for Fancy Food 2013.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Open and maintain market linkages, market information and support current distributors of Palestinian specialty foods;</li> <li>• Help to capture new market leads and buyers, create direct sales, and expand market penetration.</li> </ul> <p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• Two yearly contracts executed, value of \$1,072,500 USD</li> <li>• One new market accessed: Russia.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>• As a result of the World of Perishables Show in Dubai, <i>Agripal B&amp;S for Agricultural Investment</i> has exported with a value of \$230,000.</li> </ul> <p><u>Q2 / FY2 (Fruit Logistica &amp; Gulfood Impact)</u></p> <ul style="list-style-type: none"> <li>• \$10,905,351 USD value of exports as a result of the two tradeshows.</li> <li>• 13 New Markets Accessed: Holland, UAE, Kuwait, Malaysia, Jordan, UK, Qatar, Singapore, USA, Germany, KSA, Bulgaria and Greece.</li> <li>• <i>Fresh Gate Co.</i> signed 3 contracts, value of \$5,400,000USD.</li> <li>• 19 new and improved products.</li> <li>• <i>Emirates Delights</i> signed a contract for 500 tons of dates, value \$4.7 M to Dubai and a shipment for 9 tons/month for dates to Bulgaria, and value \$32,480 USD.</li> <li>• Jobs created: <i>Jannet Adan Co.</i> hired 10 new male employees.</li> </ul> <p><u>Evaluation / Fruit Logistica</u></p> <ul style="list-style-type: none"> <li>• The majority of participants (68%) rated Compete’s assistance regarding communication prior to the trade show, preparations, designs and decoration, and support at the trade show as very good, 21% of participants rated them as good, 7% rated them as moderate and 4% rated them as poor.</li> <li>• 25% of participants rated PalTrade’s assistance</li> </ul>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

	<p>regarding communication prior to the trade show, preparations, designs and decoration, and support at the trade show as very good, the majority of participants (57%) rated them as good, 14% rated them as moderate and 4% rated them as poor.</p> <ul style="list-style-type: none"> <li>• The majority of participants (43%) rated the trade show as somewhat organized. Many participants (29%) rated the show as very organized and many (28%) rated it as extremely organized.</li> <li>• The majority of participants (57%) rated the information presented at the trade show as very useful to their company. Some participants (29%) rated the information as somewhat useful and a few participants (14%) rated the information as extremely useful.</li> <li>• After participating at the trade show, the majority of participants (57%) rated that their skills have improved a lot. 15% of participants said that their skills have improved a great deal after participating at the show and 14% stated that their skills have improved a moderate amount. A few participants (14%) said that their skills haven't improved at all.</li> </ul> <p><u>Participant Recommendations / Fruit Logistica</u></p> <ul style="list-style-type: none"> <li>• Promote Palestinian participants and their products through advertisements and a press conference prior and during the show.</li> <li>• Arrange meetings with potential customers before the show. The Palestinian Representative Office in Germany can have a role in this by identifying and inviting potential customers.</li> <li>• Logistics, booth design, preparations, and location of booths can be improved.</li> <li>• Have a minimum of 2 persons per delegation.</li> </ul> <p><u>Evaluation / Gulfood</u></p> <ul style="list-style-type: none"> <li>• Half of the participants (53%) rated Compete's assistance regarding communication prior to the trade show, preparations, designs and decoration, and support at the trade show as very good, and 44% of participants rated them as good.</li> <li>• 53% of participants rated PalTrade's assistance regarding communication prior to the trade show, preparations, designs and decoration, and support at the trade show as very good, and 34% of participants rated them as good.</li> <li>• The majority of participants (62%) rated the trade show as very organized. Many participants (25%) rated the show as extremely organized and a few participants (13%) rated it as somewhat organized.</li> <li>• Half of participants (50%) responded that their skills improved a lot and the other half of participants rated that their skills improved a moderate amount from participating at the show.</li> </ul> <p><u>Participant Recommendations / Gulfood.</u></p> <ul style="list-style-type: none"> <li>• Promote Palestinian participants and their products</li> </ul>
--	--

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

	<p>through advertisements and presentations prior and during the show.</p> <ul style="list-style-type: none"> <li>• Add signs in the entrance hall so that it would guide walkers to the Palestinian stand.</li> <li>• Booth designs can be improved.</li> <li>• Create a hub at the fair in order to sell products of small quantities to customers.</li> <li>• Facilitate more B2B meetings with potential customers.</li> </ul>
<b>Forward Contracting</b>	
<p><i>Description</i> Link Palestinian value chains to international and domestic markets with long-term contracts to avoid major price fluctuations and supply shortages.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• Signed two contracts to supply 800 MT of red potatoes between <i>Al Salam Group</i> and Mowafaq Daraghmeh farms and <i>Top Field Co.</i></li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>• Over 20 dunums of carrots planted.</li> </ul> <p><u>Q2 /FY2</u></p> <ul style="list-style-type: none"> <li>• USAID Compete procured 25,500 meters of lateral pipes, sprinklers, Polyvinyl Chloride (PVC) valves to <i>Top Field Co.</i> and a Tubas farmers as well as a sprayer to <i>Top Field Co.</i> on a cost-sharing basis.</li> <li>• USAID Compete procured a main water line on a cost-sharing basis to the Tubas farmer.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Forward contracts can increase competitiveness, increase export performance and improve country image (brand and origin) recognition;</li> <li>• This will help to avoid major price fluctuations and help sustain a consistent supply flow in response to the market's needs.</li> </ul> <p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• New product introduced: red potatoes.</li> <li>• Sales of \$200,000 USD reached.</li> <li>• Provided a stable marketing and sales base.</li> <li>• Linked Palestinian value chains to domestic market.</li> <li>• Area adopting new technology: 150 dunums.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>• New product introduced: carrots.</li> <li>• Two contracts signed for 2,545 tons of potatoes in the 2013 season between <i>Al Ashqar Co.</i> and a Tubas farmer and <i>Top Field Co.</i> with a value of \$783,860 USD. <i>Al Ashqar Co.</i> will provide the potatoes to <i>Mr. Chips Factory</i> in Jordan.</li> <li>• Another contract signed between <i>Abu Al Jud Co.</i> in Jordan and <i>Top Field Co.</i> for 250 tons of carrots in the 2013 season with a value of \$7,816 USD and for 500 tons of potatoes in the 2013 season with a value of \$250,000 USD.</li> <li>• Additional increase of area under cultivation: 613 dunums/ 61 hectares for export potatoes and 48 dunums/ 5 hectares for export carrots.</li> </ul> <p><u>Q2 / FY2</u></p> <ul style="list-style-type: none"> <li>• A two-year contract was signed between a major Russian importer and <i>Nakheel Palestine</i> for 27 tons of Medjool dates (3 containers) to be imported this season to the Russian importer's company <i>Laidier Foods</i>. In February 2013 the first 7 tons (value of \$45,618 USD) were shipped to <i>Laidier Foods</i>.</li> <li>• New products introduced: <ul style="list-style-type: none"> <li>▪ <i>Top Field</i>: 1 choysum (Chinese cabbage)</li> <li>▪ Tubas farmer: 3 (white potatoes, onions, onion bulbs)</li> </ul> </li> </ul>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

<ul style="list-style-type: none"> <li>Area under improved technology: <ul style="list-style-type: none"> <li><i>Top Field</i>: 565 dunums/56.5 hectares (as a result of the sprayer and irrigation pipes)</li> <li>Tubas farmer: 224 dunums/22.4 hectares (as a result of the irrigation pipes and water carrier).</li> </ul> </li> <li>Exports and Local Sales: \$1,410,434 USD. This includes new contracts executed between two Tubas farmers and <i>Al Ashqar Co.</i>, <i>Abu Al Joud Co.</i>, and <i>Ali Brothers Co.</i></li> <li>Jobs Created: <i>Top Field Co.</i> hired 8 new male employees and 3 new female employees.</li> <li>Local Sales to Al Salam Co.: \$240,055</li> </ul>	
<b>Usage of Treated Waste Water (TWW)</b>	
<p><i>Description</i></p> <p>Build awareness and support for the reuse of TWW for agriculture to address the inadequate water supply. Study tours will focus on the exchange of technical knowledge and the study of models to be replicated in the West Bank.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Compete conducted a study tour to Jordan to visit existing Treated Waste Water (TWW) plants. The participants included farmers, MoA, Water authorities, Municipality, PSI (Palestinian Standards Institute and NGOs.)</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>Signing of MOU with MoA.</li> <li>TWW working group identified.</li> <li>Crops for the pilot project were identified covering 30 dunums.</li> <li>One-pager of the project's proposed interventions for TWW completed.</li> </ul> <p><u>Q2 /FY2</u></p> <ul style="list-style-type: none"> <li>SOW of implementer completed.</li> <li>Environmental Assessment in progress.</li> <li>Crops for pilot project have increased to cover 140 dunums</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Transfer knowledge of how to use the TTW;</li> <li>Provide additional sources of irrigation water by making use of the TTW from the Nablus waste water plant;</li> <li>Increase awareness of the importance of using TTW in agriculture. The study tour provided them with guidelines regarding irrigation techniques, sanitation control and sustained quality. Most participants accepted the idea of using treated wastewater in the Palestinian Territories and are ready to use the treatment plant being constructed in Nablus.</li> </ul>
<b>Saline Water Demonstration</b>	
<p><i>Description</i></p> <p>Conduct several pilot tests that use a Swiss technology (magnetically treated water) to enable the use of saline water for irrigation</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Four units of the Aqua4D water treatment system installed. This will enable the plant to be irrigated with treated saline water in the Jordan Valley.</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>The fifth unit of the Aqua4D water treatment system ordered and installed.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Introduction of new saline water technology will have major long-term benefits for the agriculture industry;</li> <li>Increase productivity, quality, export volumes and competitiveness of Palestinian produce.</li> </ul> <p><u>Q1/FY2</u></p> <ul style="list-style-type: none"> <li>Area adopting new technology for <i>Nakheel Palestine Co.</i>: 23 dunums/ 2.3 hectares. For <i>Abd Al Malek Jaber</i> (5<sup>th</sup> unit): 3 dunums.</li> </ul>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

		<u>Q2 /FY2</u> Initial results showed 30% increase in yield of bell peppers and fresh herbs.
<b>Upgrading of Nurseries Facilities</b>		
<i>Description</i> Upgrade and qualify Palestinian nurseries in order to provide high quality grafted and fresh herb seedlings at reasonable prices.		
<b>Achievements</b>	<b>Impact</b>	
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Completed Global GAP (GG) Analysis on 3 agriculture nurseries. This is the first phase in Global GAP implementation to meet international standards.</li> </ul> <p><u>Q1/FY2</u></p> <ul style="list-style-type: none"> <li>STTA (Short Term Technical Assistance) consultant completed grafting training for three nurseries.</li> <li><i>Al-Juneidy</i> and <i>Ata Abu Rub Nurseries</i> identified as partners.</li> </ul> <p><u>Q2 /FY2</u></p> <ul style="list-style-type: none"> <li>First batch (35,000 seedlings) of grafted watermelon from <i>Al Juneidy Nursery</i> (value \$35,000 USD) were delivered to Jordan Valley farmers.</li> <li><i>Al Juneidy Nursery</i> also delivered 20,000 seedlings of grafted tomatoes, 13,000 seedlings of grafted cucumber, and 5,000 seedlings of grafted eggplants with a total value of 25,000 USD to the Jordan Valley.</li> <li><i>Ata Abu Rub Nursery</i> upgraded 6 dunums of greenhouses in compliance with GG requirements.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Transfer knowledge of grafting systems;</li> <li>Address market needs, and adapting to soil conditions through grafting.</li> </ul> <p><u>Q1/FY2</u></p> <ul style="list-style-type: none"> <li>First batch of grafted watermelon seedlings from <i>Al Juneidy Nursery</i> were delivered to Jordan Valley farmers with a value of \$23,000USD.</li> <li>Two improved products: watermelons and tomatoes.</li> <li><i>Al Juneidy Nursery</i> has 72 dunums/ 7.2 hectares as area assisted by adopting new technology.</li> <li>Five Jobs created at <i>Al Juneidy Nursery</i></li> </ul> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li><i>Ata Abu Rub Nursery</i> has 6 dunums/0.6 hectares as area assisted by adopting improved technology.</li> <li>As a result of the grafting training, <i>Ata Abu Rub Nursery</i> increased its local sales by \$324,324 and <i>Al Juneidy Nursery</i> increased its local sales by \$60,000.</li> <li><i>Ata Abu Rub Nursery</i> improved 30 products (12 vegetables and 18 fresh herb seedlings) and has 4 new products.</li> <li><i>Al Juneidy Nursery</i> has 2 new products: 2 types of watermelon.</li> </ul>	
<b>Upgrading Accredited Laboratory for Fresh Produce</b>		
<i>Description</i> Upgrade and accredit Palestinian private sector laboratories to conduct tests according to international standards (ISO 17025) that comply with customers' needs, specific market requirements, and enable firms to take immediate corrective action when required.		
<b>Achievements</b>	<b>Impact</b>	
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Compete identified the labs with the best short term potential to obtain ISO 17025 certification. The GAP analysis against ISO17025 was completed.</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>Completed GAP analysis against ISO17025 for the Scientific Center for Food and Drug Analysis Lab.</li> <li>RFQ submitted.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Conducting tests in accordance with ISO 17025 will comply with customer needs, specific market requirements as well as reducing costs and time.</li> </ul>	

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

<ul style="list-style-type: none"> <li>• Vendor winners identified.</li> </ul> <p><u>Q2 /FY2</u></p> <ul style="list-style-type: none"> <li>• Announced RFQ winners and resubmit RFQ for GCMS equipment.</li> </ul>	
<b>Packaging and Labeling</b>	
<p><i>Description</i> Create a qualified team and system with the PFIA in order to assist food-processing companies in upgrading and improving their packaging and labeling capabilities for improved market access.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• Signed a contract with PFIU</li> <li>• 16 products will be redesigned and have been nominated</li> <li>• 24 company owners, food experts, designers will be trained.</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>• Four PFIU employees went on fact-finding tour to <i>Libanpack</i> (Lebanon) in October 2012.</li> <li>• PFIU conducted an awareness workshop following their return from <i>Libanpack</i>.</li> <li>• PFIU/Compete technical staff were trained in Lebanon from December 11-14 on technical aspects of packaging and labeling at <i>Libanpack</i> training center.</li> <li>• Two workshops were conducted with Al Najah National University and Islamic University to engage senior students in the student Starpack Contest through PFIU.</li> </ul> <p><u>Q2 /FY2</u></p> <ul style="list-style-type: none"> <li>• Preparation for international expert visit (package assessment and training).</li> <li>• 3 trainings were conducted to demonstrate the <i>Libanpack</i> model with a total of 37 participants.</li> <li>• <i>Libanpack</i> redesigned packaging of Al Salam French fries.</li> <li>• 8 Palestinian design students participated in the Starpack Contest and one winner was identified.</li> <li>•</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Improve the global competitiveness of the industry through better packaging, higher production standards and better reputation;</li> <li>• Building association-led capacities in export packaging, labeling and market requirements</li> </ul> <p><u>Evaluation / Packaging &amp; Labeling Workshop</u></p> <ul style="list-style-type: none"> <li>• The majority of participants rated the overall assessment of the course 3.75 out of 5. Most participants found the trainer’s method and delivery as good and professional. Participants rating are as follows:</li> <li>• In regards to the trainer’s standard of delivery, 5 out of 5 was given by 17% of participants, a 4 out of 5 was given by 50% of participants, a 3 out of 5 was given by 28% of participants, and a 2 out of 5 was given by 5% participants.</li> <li>• In regards to the trainer’s response to questions, 5 out of 5 was given by 39% of participants, a 4 out of 5 was given by 33% of participants, and a 3 out of 5 was given by 28% of participants.</li> <li>• In regards to the trainer’s knowledge of the subject, 5 out of 5 was given by 50% of participants, a 4 out of 5 was given by 44% of participants, and a 3 out of 5 was given by 6% of participants.</li> <li>• In regards to the trainer’s management of exercise, 5 out of 5 was given by 17% of participants, a 4 out of 5 was given by 50% of participants, and a 3 out of 5 was given by 28% of participants.</li> <li>• In regards to participants’ opportunity to take part, 5 out of 5 was given by 22% of participants, a 4 out of 5 was given by 50% of participants, and a 3 out of 5 was given by 28% of participants.</li> <li>• In regards to course handouts and notes, half of the participants (50%) rated their content and ease of understanding as very good (4 out of 5). Many participants (28%) rated the content and ease of understanding as good (3 out of 5) and a few participants (22%) rated them as excellent (5 out of 5).</li> <li>• The majority of participants (72%) would recommend PFIU training events a lot. Some participants (17%) would moderately recommend PFIU training events and a few participants (11%) would recommend PFIU training events a great deal.</li> </ul>

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

<ul style="list-style-type: none"> <li>The majority of participants (67%) indicated that the event was extremely relevant to their organization. Many participants (28%) determined that the event was very relevant to their organization and a few participants (5%) stated that the event was moderately relevant.</li> </ul>	
<b>Upgrade the Aquaculture Sector</b>	
<p><i>Description</i> Revitalize the Palestinian fish industry in the region of Jericho and other governorates to satisfy domestic demand by conducting an assessment on the future outlook of the industry.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Identified a consultant to conduct an assessment to perceive the future outlook of the aquaculture sector by analyzing water resources as well as other resources available to support a cultured fish value chain</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>Visited <i>Al-Sabi</i> Nursery in Qalqilya to look into the use of aquaponic systems as a viable means of irrigation. <i>Al Sabi</i> Nursery recently installed this system and has been using it to irrigate 1/10 of its young seedlings.</li> <li>Extension Agents and farmers completed. Aquaculture Assessment workshop with the MoA</li> <li>Assessment completed and final report submitted by consultant.</li> <li>Potential beneficiaries identified.</li> </ul> <p><u>Q2 /FY2</u></p> <ul style="list-style-type: none"> <li>Meeting preparations with stakeholders</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>A revitalized pond – fish sector will meet domestic demand, contribute to integrated water management improvements and potentially grow to serve export markets.</li> </ul>
<b>FAM Trips</b>	
<p><i>Description</i> FAM Trips: Familiarize Palestinian exporters with international market demands through targeted Familiarization Study Tours (FAM tours); invite key buyers to visit and build business relationships with local producers.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q1 /FY2</u> Key buyer from <i>Kam Trade Russia</i>, visited olive oil, sea salt, fresh herbs and date producer in the West Bank.</p>	<p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>Pre negotiation for Russian Export for fresh herbs. First shipment of fresh herbs was exported to Russia. Preparations for first shipment of dates to Russia in January.</li> </ul> <p><u>Q2 /FY2</u> First shipment of dates was exported to Russia in January.</p>
<b>Updates for Other Agribusiness Activities in the Work Plan</b>	
<ul style="list-style-type: none"> <li>Agriculture Information Call Center: Introduce mobile applications providing inexpensive mobile phone-based services to Palestinian producers to access local and international market information: Received proposal from MoA and will finalize SOW with ICT department and MoA finalized (May 15).</li> <li>Produce Distribution Hub: Support for market research and a feasibility study as the first steps toward</li> </ul>	

**TABLE 2: ACHIEVEMENTS, IMPACT AND EVALUATION OF AGRIBUSINESS  
USAID COMPETE PROJECT CUMULATIVE**

- establishing a distribution hub for fresh produce in target markets to directly link local value chains to growing international markets: Prefeasibility study for distribution hub in Dubai during Gulfood completed.
- Upgrade Grape Sector: Upgrade 15 Palestinian grape farms to produce high quality seedless grapes at competitive prices through technical assistance and cost-sharing upgrading inputs: Meeting preparations with stakeholders and vetting of partners in process.
  - Upgrade Guava Sector: Assist guava farmers to upgrade their production to provide high quality guavas at reasonable prices through cost sharing inputs to the guava producers' farms including fruit fly traps, packing lines, and cool stores among others. Met with stakeholders; agreed on cost share: Awaiting proposal for packing house (End of April).
  - Upgrading Packing Line of West Bank Salt Company: Support Palestinian producer of dead sea gourmet salt to meet international quality/food packaging standards and access new international markets: Received proposal.
  - Traceability Software: Support the design and implementation of an operational traceability system (developed by the Palestinian ICT sector) for the fresh export produce sector following international best practices in order to increase product standards: Reviewing resubmitted proposal.
  - Date Pollen Facility: To start and/or upgrade date pollen facilities in Palestine to balance male and female date trees in order to achieve productivity potentials: Awaiting proposal (End of May).
  - Capacity Building for the MoA Veterinary Services (VS) Staff: Provide technical assistance and capacity building for 20 MoA Veterinary Staff on laboratory operations and business methods: Compliance to announce RFQ (April 14).
  - Capacity Building for the MoA Plant Protection Services Staff and Fresh Herb Agronomists: Provide technical assistance and capacity building for 20 MoA Veterinary Staff on laboratory operations and business methods. Compliance to announce RFQ (April 14) Awaiting training proposal from MoA. (End of May)
  - Capacity Building for Date Firm Staff and Date Farmers and cost share equipment Raise knowledge and competence of the workforce to improve date quality and increase export produce to high value markets. Awaiting training proposal from Date Cooperative (End of May).
  - Export Manager for Hire: Hire an export manager for companies that have demonstrated a clear competitive advantage and access to international markets: Planning of Export Manager for Hire Services Program in coordination with AmCham. Compliance preparing grant for AmCham. (April 20).
  - Introduce New Crops to the Palestinian Agriculture Sector (Introduce new crops to be produced under contract by Palestinians farmers for the frozen processing facility managed by the Al Salam Group based in Hebron: Cost shared irrigation system and sprayer with two potato/carrot farmers, delivery of carrier line to Mowafaq Daraghme.

## **TOURISM**

### **Progress toward Indicators**

The following chart outlines key achievements, impact and evaluation of Agribusiness activities from the beginning of the project to Mar 31, 2013.

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

- **Market Analysis - Digital Marketing Capacity**
- **Digital Marketing Seminar Conference & Workshop**
- **Digital Tourism Demo for Social Media Conversion**
- **Web Clinics**

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

*Description*

- Undertake an assessment of where the Palestinian Territory currently stands in terms of digital prowess for tourism and using “value chain” techniques to identify current weaknesses and opportunities and to identify the most urgent weaknesses that need correction and support.
- Support the development of the digital marketing capacity across the sector.

**Achievements**

FY1

- Review, analysis and assessment of digital framework, 39 websites and media tools were conducted in order to know where the sector currently stands in terms of digital prowess.
- Digital framework developed that can effectively exploit the digital chain and route to market.
- Three seminars undertaken as a result of the assessment - 70 members of tourism industry & 25 of ICT sector trained.
- National Tourism Working Group, HLITOA, and AHA gained an understanding of the value of digital tourism, social media for tourism and reaching and converting international markets through social media.
- Consultant hired.
- Strategic plan and vision for digital conferences and workshop developed.

Q1 / FY2

- Three workshops implemented in Ramallah, Jerusalem and Bethlehem
- Two hotels trained on Social Media Conversion
- One tour operator in training.
- Facebook offers developed for one hotel to demonstrate implementation and efficacy of social media. YouTube and Twitter account set up. Splash page recommended to encourage check-in and likes to support leaderboard page.
- Meeting with ISP “Internet Service Provider “to support location check-in and likes to support leaderboard page.
- As a result of the Ramallah seminar further web clinics will be undertaken.

Q2 / FY2

47 pre-selected websites have now undergone the web clinic

**Impact**

Overall

- Identify the most critical areas of need of tools and capacity requirement for the Tourist companies and individuals;
- Reach target markets and takes advantage of the digital environment to promote their business to increase demand and convert bookings;
- Highlight development opportunities;
- Enable the companies to better utilize their websites to achieve their goals.

- **Market Profiles Implementation**
- **Destination Brand Development**
- **Trade Shows Participation**
- **HLITOA/AHA Development Support**

*Description*

- Develop market profiles for key source country markets and key niche markets to expand market access and business development in the strategic tourism market.
- Develop a country brand strategy based on research, analysis and market needs that evolve into a strong country image.

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

- Support the participation of a selected number of Palestinian ICT companies for tourism to attend the World Travel Market and Internationale Tourismus Börse (ITB); firms will gain exposure to the types of opportunities open to serve the tourism sector within the West Bank and globally.
- Support to HLITOA and AHA (the two major Palestinian tourism trade associations) through increasing member services, expanding product offerings, and directly engaging with international travel buyers.

Achievements	Impact
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• National Tourism Working Group, HLITOA, and AHA gained an understanding of the value of targeted market research to identify the markets with the highest potential for tourism growth.</li> <li>• Deadlines set for identification of target markets by HLITOA and AHA.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>• Extensive research samples were provided on 10 international markets to HLITOA and AHA. Accordingly; HLITOA/AHA agreed to research three international destinations based on their highest potential for tourism growth and nominate key target markets to create market profiles.</li> </ul> <p><u>Q2 / FY2</u></p> <ul style="list-style-type: none"> <li>• USAID Compete is working on a new grant to HLITOA covering the expenses of industry participation in two trade shows (South East Asia and Latin America), including pre-show market access research to be carried out by HLITOA staff.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• This intervention will assist in strategic decision making and for the first time enable targeting one of the most lucrative potential markets;</li> <li>• The Palestinian tourism industry will use a unified message to increase the awareness of the Palestinian territories as a tourist destination, and shift perception to accurately represent Palestinian tourist destinations;</li> <li>• Delivery of clear and consistent messages on tourism products that represent the Palestinian experience will result in a more compelling proposition to the target market, and increase sales of Palestinian firms and increase tourists' expenditures in Palestinian areas;</li> <li>• This intervention will enable HLITOA/AHA to provide better services to their members and business partners, particularly through the four market profiles HLITOA is developing;</li> <li>• The destination brand will support Palestinian tour operators to organize road shows, actively sell new destinations and sites developed in collaboration with Compete, as well as improve the digital presence of Palestinian tour operators;</li> <li>• This intervention will increase sales and bring more investments in the tourism sector;</li> <li>• This intervention will provide an opportunity for the Palestinian ICT sector to tap into a rapidly growing global market, opening new markets for their products and skills; this will directly increase exports, expand sales, and will create new jobs in the Palestinian digital tourism sector.</li> </ul>

**Support Bethlehem Master Plan Implementation through Signage Activity**

*Description*  
Support the Bethlehem Signage initiative which includes a mobile stage in Manger Square, street lights and sanitation facilities around major tourism attractions, tourist information centers and walking trails in Bethlehem.

Achievements	Impact
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• Initial plan agreed upon to implement 100-120 signs in phases in collaboration with the Bethlehem Chamber of Commerce (BCCI).</li> <li>• Conducted kick-off workshop.</li> <li>• Finalized implementation plan for Bethlehem signage project.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Increase the number of individual tourists visiting the city, increasing spending in the local economy.</li> </ul>

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

<ul style="list-style-type: none"> <li>Signed grant with BCCI.</li> <li>Developed sign specification.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>Developed draft sign location map.</li> <li>Stakeholder group review of exact sign location in finalized throughout three municipalities.</li> <li>MoTA briefed on plans following full review.</li> <li>Branded directional sign dimensions and design finalized.</li> <li>RFQ directional signs published - proposal to be evaluated and service provider to be contracted by 10 December</li> <li>RFQ informative/welcoming signs to be issued mid-December</li> <li>Comprehensive presentation developed as guideline for service providers and to expedite stakeholder approval.</li> </ul> <p><u>Q2/ FY2</u></p> <ul style="list-style-type: none"> <li>Total of 179 signs across Bethlehem Governorate installed.</li> </ul>	
<b>Hotel Classification</b>	
<p><i>Description</i> Develop and implement a mandatory hotel classification system in the Palestinian Territories to ultimately support an increase in tourism numbers, length of stay and average expenditure per visitor.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Official Palestinian Hotel Classification Committee established.</li> <li>Implementation Plan agreed upon.</li> <li>Official TOR for Hotel Classification Committee approved.</li> <li>Full quality standards agreed upon.</li> <li>MoTA Hotel Classification Unit Head appointed and team in recruitment.</li> <li>Institutional capacity building in hotel classification for MoTA and AHA undertaken and in process.</li> <li>Hotel classification model agreed upon.</li> <li>Study tour to Jordan conducted.</li> <li>Assessor training plan delivered.</li> <li>Pilot project plan delivered.</li> <li>Launch date set.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>Pilot project undertaken and finalized</li> <li>Criteria and quality standards agreed and finalized.</li> <li>Assessors recruited.</li> <li>Assessor technical and practical training finalized.</li> <li>Post launch implementation plan developed.</li> <li>Sustainability plan in development</li> <li>Website TOR developed</li> <li>Assessor - soft skill training in planning</li> <li>Hotel classification manual developed and designed in</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>The system provides assurance of the highest quality possible for the amounts paid by tourists; this increases the credibility of Palestinian products and services.</li> <li>Increase in number of tourists, length of stay and average expenditure per visitor.</li> </ul> <p><u>Evaluation of Soft Skills Training</u></p> <ul style="list-style-type: none"> <li>The majority of participants (96%) strongly agree that the training content is of high quality. A few participants (4%) slightly agree that the training content is of high quality.</li> <li>Most participants (87%) strongly agreed that the training content and subjects were clear and easy to follow. Some participants (13%) slightly agree that the content and subjects were clear and easy to follow.</li> <li>Most participants (96%) strongly agree that the information they gained in the workshop will help them in their current role and/or position. A few participants (4%) slightly agree that it will help them in their current role and/or position.</li> <li>Most participants (87%) strongly agree that the leader communicated appropriately and effectively. A few participants (13%) slightly</li> </ul>

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

<p>Arabic/English</p> <ul style="list-style-type: none"> <li>Hotel Classification System Launched</li> </ul> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>Held a soft skills training for the hotel classification assessors on March 25-27, 2013 in Bethlehem. The soft skills training included communication techniques, problem solving/conflict management in the inspections process, preparing and delivering feedback report to hotel management team, and other skills that are necessary to carry out a proper inspection and essential for building the assessors' capacity</li> <li>Reviewed the manuals for printing in English and Arabic.</li> </ul>	<p>agree that the leader communicated appropriately and effectively.</p> <ul style="list-style-type: none"> <li>The majority of participants (92%) strongly agree that the leader was open to questions and led discussions effectively. A few participants (8%) slightly agree that the leader was open to questions and led discussions effectively.</li> <li>Most participants (75%) indicated that the format of the training (set-up, location, scheduling, etc.) was excellent. Many participants (25%) said that the format of the training was good.</li> <li>Most participants (87%) rated that the leader was excellent in being well organized in presenting the training. Some participants (13%) said that the leader was good in presenting the training.</li> <li>Most participants (67%) rated that the degree of usefulness of the subject matter covered for future use was excellent. Some participants (29%) rated that the degree of usefulness was good and a few participants (4%) said that the degree of usefulness of the subject matter covered for future use was fair.</li> <li>The majority of participants (83%) rated the training as excellent. Some participants (17%) rated the training as good.</li> </ul> <p><u>Aspects of this training that could be improved in the future</u></p> <ul style="list-style-type: none"> <li>Participants suggest adding a practical section to the training in order to enhance their skills.</li> <li>Participants recommend dividing the attendants into more sector-specific groups.</li> <li>Participants suggest improving time management.</li> <li>Participants suggest focusing more on teamwork.</li> </ul> <p><u>What did you like best about the training?</u></p> <ul style="list-style-type: none"> <li>Workshop content and presentation.</li> <li>Leader's experience, educational background, and control.</li> <li>Topics regarding time management and communication.</li> <li>Interaction between leader and participants.</li> <li>Method of motivating the audience.</li> </ul> <p>All participants agreed that they would recommend this training to their colleagues and business relations as the training presented new, useful material and helped them gain experience and know-how, which improved their skills. The skills they learned are also required for working groups. Moreover, the training was useful, clear,</p>
--	---

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

	<p>and encouraging to all participants.</p> <p><u>Participant Recommendations</u></p> <ul style="list-style-type: none"> <li>• To involve the leader in providing more trainings in the hospitality sector in order to efficiently upgrade skills and knowledge.</li> <li>• To offer more advanced courses and trainings in the future.</li> </ul>
<b>Site Renovation and Trail Site Development</b>	
<p><i>Description</i></p> <ul style="list-style-type: none"> <li>• Site Renovation: Select priority sites for sustainable interventions with high tourism potential to offer the best return on investment as well as to enhance Palestinian tourism “products”</li> <li>• Trails: Develop and launch two trails and begin phase one development of a third trail to contribute to expanded tourism offerings in the West Bank and to support the Palestinian tourism sector in attracting the soft adventure tourism market.</li> <li>• Impact: Strong emphasis on sustainability through business and economic benefits to stakeholders including local communities and site conservation through enhanced management.</li> </ul>	
<b>Achievements</b>	
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• RFPs and SOW developed for quick impact interventions on 5 sites.</li> <li>• Working group workshop conducted to prioritize sites to be renovated.</li> <li>• MoTA agreed to handle licensing for specialized tour guides.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>• EDF for directional signs submitted</li> <li>• Following pre-contract award meeting, contract developed for Burqin engineering works.</li> <li>• Hisham's Palace SOW and RFP developed for advertising</li> <li>• Hisham's Palace - designation of responsibilities with MoTA to ensure effective design development</li> <li>• Technical specifications for directional signs finalized, RFP developed for both Bethlehem and West Bank and advertised.</li> <li>• Civic Map plans developed to cover Sabastiya, Burqin, Taybeh, Bethany and Jenin - to cover 90% of the 18 sites highlighted by tourism working group.</li> <li>• Agreement to use MoTA digitized maps for civic signs</li> <li>• SOW for map production developed.</li> </ul> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>• MOTA/DACH representatives, MIDMACK Engineering and Consulting Company and USAID Compete Conservation and Environment consultants are currently reviewing plans, including the design to fix the Burqin Church sewage system.</li> <li>• Hisham’s Palace Interpretation and Museum Rehabilitation: Partners Input Matrix as well as summary of each partners’ role was prepared and presented at the MOTA/DACH Task Force meeting with MOTA/DACH and University of Chicago.</li> <li>• Directional Signs for Tourism Attractions: Ready Systems was awarded and signed the contract to design, produce and install 32 direction signs for the Burqin, Sabastiya, Taybeh and Bethany.</li> <li>• Civic Location Maps: SOW using base maps to provide user-friendly city maps available for panels, brochures and ICT applications in 10 cities and towns is ready (Jenin, Burqin, Sabastiya, Nablus, Taybeh, Ramallah, Bethany, Jericho, Bethlehem and Hebron). RFPs are being prepared.</li> <li>• Interpretation Films: SOW for providing interpretation and introductory films to be provided for the Information Centers at Sabastiya and Balata is ready. RFPs are being prepared. <ul style="list-style-type: none"> <li>○ Hiking Trails: Based on an approach paper prepared in February, two trails were visited to identify potential interventions as well as possible partners stakeholders.</li> </ul> </li> </ul>	
<b>Hospitality School</b>	

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

*Description*

Implement plans for a hospitality school to increase the volume and availability of service level staff within the labor force; this includes comprehensive In-Service training for front and back of house hospitality staff currently working in hotels

Achievements	Impact
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• GAP Analysis for hospitality school</li> <li>• Training modules for in-service staff prioritized and sourced.</li> <li>• Draft Hospitality School Implementation Plan under review.</li> </ul> <p><u>Q1 FY2</u></p> <ul style="list-style-type: none"> <li>• AHA approved training program, participate throughout and promote to members</li> <li>• In-Service Training commenced with train-the-trainer</li> <li>• Hotel assessments agreed with AHA for early 2013.</li> <li>• Supervisor, housekeeping, front desk and food &amp; beverage training booked early 2013.</li> <li>• Trainees registered and approved by AHLA.</li> <li>• Training materials procured</li> <li>• Training implementation contract developed</li> <li>• Train-the-trainer program completed.</li> <li>• All Trainees completed AHLA-EI exam, passed and certified</li> </ul> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>• Supervisor training delivered in Jericho, Ramallah, Jerusalem and Bethlehem.</li> <li>• Request for registration distributed for TRAC program.</li> <li>• Diyafa conducted the In-service Hospitality Training Program in four main cities in the West Bank. 87 hotel supervisors from food and beverage, housekeeping and reception departments were trained and passed the exam to become Certified Hotel Supervisors “CHS”.</li> <li>• TRAC (Train Retain Assess Certify) training started with the participation of 230 hotel employees working at front desk, housekeeping and food &amp; beverage department. Trainings were held in Jerusalem, Bethlehem and Jericho.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Raise the level and availability of service level employees;</li> <li>• Indirectly raise the exports in the Tourism sector.</li> </ul> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>• 2 new courses developed (CHS and TRAC).</li> </ul> <p><u>Evaluation of Soft Skills Training</u></p> <ul style="list-style-type: none"> <li>• Many participants (43%) indicated that the training was extremely organized and another 43% stated that the training was very organized. A few participants (14%) said it was somewhat organized.</li> <li>• The majority of participants (57%) determined that the information presented at the training is very useful. Many participants (29%) said that the information was extremely useful and a few participants (14%) stated that the information presented was moderately useful</li> <li>• Most participants (43%) said that the trainer was very effective in delivering subject information. Many participants (29%) showed that the trainer was extremely effective in delivering subject information. Some participants (21%) stated that the trainer was moderately effective and a few participants (7%) indicated that the trainer was slightly effective in delivering subject information.</li> <li>• The majority of participants (64%) rated that the time allowed for their questions to be answered was about the right amount. Some participants (29%) indicated that the presenter allowed much too much time and a few participants (7%) said that the presenter allowed somewhat too much time.</li> <li>• 86% of participants found “Orientation and Training” as the most useful session. Another 86% of participants found “Leadership” as the most useful, while 86% of participants found “Handling Problems and Conflicts” as most useful. 79% of participants found “You as a Supervisor” as most useful. Another 79% of participants found “Improving Employee Performance” as the most useful sessions. “Motivation and Team Building” was indicated as the most</li> </ul>

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM USAID COMPETE PROJECT CUMULATIVE**

	<p>useful by 71% of participants, while “Staffing and Scheduling” was found the most useful by 57%. Half (50%) of participants determined that “Effective Communication/Time Management” as the most useful session.</p> <ul style="list-style-type: none"> <li>• The majority of participants (72%) were extremely willing to apply what they have learned from this training. 14% of participants were very willing and 14% of participants were moderately willing to apply what they have learned from the training.</li> <li>• Most participants (71%) said that their skills improved a lot because of the training. Some participants (29%) stated that their skills improved a great deal.</li> <li>• Most participants (57%) believe that the training will help them a lot in their future career. Many participants (43%) believe that the training will help them a great deal in their future career.</li> <li>• All the participants agreed that the training prepared them to take the CHS exam.</li> </ul> <p><u>Participant Recommendations</u> To extend the workshop providing more sessions for participants in order to efficiently upgrade their skills and training.</p>
<b>Tourism Image Bank</b>	
<p><i>Description</i> Ensure the availability of quality images to support the sector to compete internationally both online and offline.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>• Development of the image bank.</li> <li>• Image bank library requirements have been developed and agreed upon.</li> <li>• Library framework to present quality images that promote the destinations, products and experiences of the destination has been developed.</li> <li>• Hosting solution developed.</li> <li>• TOR for design and development of online digital library.</li> <li>• RFP developed for photographers to populate image library.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>• Evaluation of bids received from photographers undertaken</li> <li>• More information requested</li> <li>• Project to be split between two photographers.</li> <li>• Contract in development for photographers to populate image library.</li> </ul> <p><u>Q2 / FY2</u></p>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Addresses the lack of high quality images of Palestinian tourist, heritage and historical locations that can be used in branding for the sector and enable it to compete internationally both online and offline;</li> <li>• Indirectly increases the sales of Palestinian tourism operators.</li> </ul>

**TABLE 3: ACHIEVEMENTS, IMPACT AND EVALUATION OF TOURISM  
USAID COMPETE PROJECT CUMULATIVE**

<ul style="list-style-type: none"> <li>Selected Photographers</li> </ul>	
<b>Facebook Application for Tourism</b>	
<p><i>Description</i> An opportunity exists for a fully functional Facebook (FB) Application that would aggregate content from across the different destinations into an itinerary builder and be made available to all tourism stakeholders for use on their own FB pages. The application would include a trip planning tool, ongoing engagement and database building. The FB Application would ideally be managed by a local firm and offered to the tourism sector as a service.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Consultant is hired.</li> <li>Platform and pro forma developed.</li> <li>Plan for the full development of application including content and training developed.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>Content under development.</li> <li>Sites, attractions and locations being developed across the entire destination</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Increase the engagement between the ICT sector and the tourism sector to create new products and solutions to expand in the local market and reach new markets;</li> <li>Enable the Tourism sector to use local IT expertise to benefit from the social media campaigns to attract new tourists.</li> </ul>
<b>Updates for Other Tourism Activities in the Work Plan</b>	
<ul style="list-style-type: none"> <li>Palestinian/Israeli Tour Development and support to Samara/Travelujah in order to expand tourism products, extend tourism outside of key hubs, and encourage Israeli/Palestinian joint business development: Reviewing the submitted proposal, exploring options for possible interventions.</li> </ul>	

## ICT

### Progress toward Indicators

The following chart outlines key achievements, impact and evaluation of Agribusiness activities from the beginning of the project to Mar 31, 2013.

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT CUMULATIVE**

<b>PDF Project with ProGineer</b>	
<p><i>Description</i> Assist ProGineer engineers to develop the knowledge and skills required to create additional enhancements to PDF's software offerings</p>	
<b>Achievements</b>	<b>Impact</b>

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT CUMULATIVE**

<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Jobs created: 5</li> </ul> <p><u>Q1/ FY2</u></p> <ul style="list-style-type: none"> <li>Hired new 2 employees.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Creating additional new jobs in the Palestinian Territory;</li> <li>Encourage PDF to consider opening a format research center in the Palestinian Territory.</li> </ul> <p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Jobs created: 5</li> <li>Export increased: 2%</li> </ul> <p><u>Q1/ FY2</u></p> <ul style="list-style-type: none"> <li>Hired new 2 employees.</li> <li>Export increased: \$25,092USD</li> </ul> <p><u>Q2/ FY2</u></p> <p>Sales: \$38,000USD</p>
<p><b>Palestinian Business Innovation Center</b></p>	
<p><i>Description</i></p> <p>Inspiring young Palestinian entrepreneurs at the first ever Hi-Tech Hub Event. This event has been designed as monthly gatherings of developers, web designers, entrepreneurs, students, academics and investors who are interested in contributing to a more vibrant start-up community.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Inspiring young Palestinian entrepreneurs at the first ever Hi-Tech Hub Event. This event has been designed as monthly gatherings of developers, web designers, entrepreneurs, students, academics and investors who are interested in contributing to a more vibrant start-up community.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>Launched the second Hi-Tech Hub Event on Nov 29, 2012</li> </ul> <p><u>Q2/ FY2</u></p> <ul style="list-style-type: none"> <li>PNB Event: USAID’s Compete Project sponsored Partners for a New Beginning (PNB) project to host “The Palestinian Entrepreneurship Sector: Analysis, Planning and Coordination Meeting”. 75 people including donors, the venture capital industry in addition to participants representing the banking and financial, government and education sectors attended the event.</li> </ul>	<p><u>Overall</u></p> <p>Provided a forum to connect, innovate, lead and listen to a global line up of speakers, and share experiences of breaking into international markets with an innovative tech idea.</p> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>Palestinian startup Ma3lomeh, a winner of USAID Compete’s Hi-Tech Hub, was invited to participate at the “Start-Up Turkey” (<a href="http://www.startupturkey.com">www.startupturkey.com</a>) event on February 15 by Palestinian techpreneur Abdul Malik Jaber.</li> </ul>
<p><b>Apple iOS Mobile Development Center of Excellence</b></p>	
<p><i>Description</i></p> <p>The Apple iOS Development Center of Excellence, owned by Infinite Tiers, partnered with USAID Compete to develop deep knowledge in agile technologies and mobile applications – especially for Android and Apple applications.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>The center hired 10 Palestinian software engineering graduates as full time Infinite Tiers employees who will engage in research and development activities using cutting edge</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Develop deep knowledge in agile technologies and mobile applications – especially for Android and Apple applications;</li> <li>Enable a local branch of US based company to develop</li> </ul>

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT USAID COMPETE PROJECT CUMULATIVE**

<p>technology to create software applications demanded both internationally and locally.</p> <ul style="list-style-type: none"> <li>The center has produced 2 new products featured on the Apple Store.</li> </ul> <p><u>Q1 /FY2</u></p> <ul style="list-style-type: none"> <li>Two new interns were hired bringing the total number of employees to 14.</li> </ul>	<p>local resources in mobile applications.</p> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>Sales: \$102,940 USD</li> </ul>
<p><b>H+W Sales Force Cloud Computing</b></p>	
<p><i>Description</i> H+W Product Force is working with Palestinian partners to create a resource center under the name H+W Product Force. The center will develop and market SaaS applications on the Sales force platform.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>Q1/FY2</u></p> <ul style="list-style-type: none"> <li>Grant was signed October 4, 2012 (delayed due to vetting: submitted June 20, 2012; approved Aug 24, 2012.)</li> <li>Employment and training started for 13 employees.</li> <li>Training milestones are finished</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>This activity will build Palestinian capacity to develop IT tools—particularly cloud computing technology services—a leading edge technology that is in high demand globally;</li> <li>Salesforce.com technology will eventually help disseminate IT solutions to non IT enterprises. Building Palestinian skills in this technology will enable local IT firms to take advantage of this rapidly growing market.</li> </ul> <p><u>Q1/FY2</u></p> <ul style="list-style-type: none"> <li>New Markets accessed (Denmark and Germany).</li> <li>Jobs Created: 1.</li> <li>This activity will build Palestinian capacity to develop IT tools, particularly cloud computing technology services, a leading edge technology that is in high demand globally.</li> </ul> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>Sales: \$28,000</li> <li>2 new applications.</li> <li>New employees: 2 males, 1 female.</li> </ul>
<p><b>Diaspora Linkage</b></p>	
<p><i>Description</i> This activity aims to build bridges between Palestinian Diaspora worldwide and the ICT sector in West Bank and Gaza. The U.S has been selected as a pilot country for this activity.</p>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>Q1/FY2</u> Grant Agreement signed on Nov 11th.</p> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>Finishing a trade mission to the U.S. for advertising the network, setup of a cloud based system to facilitate communications between Palestinian Companies and entrepreneurs and Diaspora, and the creation of foundation groups that will serve as mentors and facilitators of flow of ideas, mentorship and possibly business deals.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>This activity will contribute to greater innovation in the Palestinian economy by enabling the ICT sector to connect with the Diaspora living abroad – particularly in the U.S., motivating them to invest in the Palestinian ICT sector.</li> </ul>

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT CUMULATIVE**

<b>Solidify Multinational Partnerships</b>	
<i>Description</i> Support Palestinian software houses to partner with international based companies (not necessarily first tier ones such Microsoft or Intel) but with a focus on European and Arab Gulf markets.	
<b>Achievements</b>	<b>Impact</b>
<u>Q2/FY2</u> <ul style="list-style-type: none"> <li>Signed Grant Agreement with Jaffa for INTEL project.</li> <li>Signed Grant Agreement with ArtTech for Brain Games.</li> <li>Signed Grant Agreement with ASAL for INTEL project.</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>This intervention aims to solidify the ICT sector’s position as a reliable partner and maintain the momentum achieved so far;</li> <li>This activity will support the achievement of new contracts, job creation and exports;</li> <li>This initiative would encourage companies to open branch offices in Palestinian cities other than Ramallah to ensure new resources are hiring (especially females) who have difficulties moving to Ramallah for social/family reasons.</li> </ul>
<b>Seed Fund for Start-up Companies</b>	
<i>Description</i> Support risk-sharing associated with a “Seed Fund” for startup companies. This fund is a fundamental element in creating a pipeline of startup companies with the potential to attract venture capital investment	
<b>Achievements</b>	<b>Impact</b>
<u>Q2/FY2</u> <ul style="list-style-type: none"> <li>Budget negotiated, start date set for June 2013</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>The Seed Fund is a necessary step to create a pipeline of startup companies that are attractive to venture capital investment;</li> <li>Startups will be able to receive investments in the range of 50K-150K and benefit from the portfolio of business services Arabreneur has developed for startups. This is in addition to a regional and international business acceleration network that will add value in terms of international exposure for these startups.</li> </ul>
<b>Oracle Training Center</b>	
<i>Description</i> USAID Compete is supporting an Oracle Training Initiative activity geared towards strengthening the technical capacity of Palestinian companies working in the oracle domain by helping in providing capacity building in subjects like Seibel	
<b>Achievements</b>	<b>Impact</b>
<u>Q2/FY2</u> <ul style="list-style-type: none"> <li>USAID Compete organized training at Oracle University in Israel and supported nine web developers from Palestinian ICT firms to participate in the training.</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>Developing skilled human resources in key Oracle technologies and supporting Palestinian outsourcing service providers to land jobs in the outsourcing industry is the prime focus of this activity. This would help the beneficiaries to work on international and regional projects on this technology.</li> </ul> <u>Evaluation / Oracle Training</u> <ul style="list-style-type: none"> <li>The majority of participants (57%) stated that the training was very organized. 29% of participants indicated that the training was moderately organized</li> </ul>

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT CUMULATIVE**

	<p>and a few participants (14%) said that it was slightly organized.</p> <ul style="list-style-type: none"> <li>• Most participants (86%) determined that most of the objectives of the training were met. A few participants (14%) said that about half of the objectives were met.</li> <li>• Many participants (29%) rated that the information presented at the training was moderately useful to their company and 29% of participants indicated that the information was slightly useful. Some participants (28%) said that the information presented was very useful to their company and a few participants (14%) said that the information presented at the training was extremely useful.</li> <li>• The majority of participants (57%) said that their skills have improved a lot. Many participants (43%) stated that their skills improved a moderate amount.</li> <li>• The majority of participants (57%) said that the information presented at the training was very organized. Many participants (43%) stated that the information was moderately organized.</li> <li>• Most participants (72%) rated that they felt very comfortable to ask questions. A few participants (14%) said that they feel extremely comfortable to ask questions and a few (14%) indicated that they were moderately comfortable to ask questions.</li> <li>• Many participants (43%) determined that the trainer was moderately experienced in the subject. 29% of participants rated that the trainer was slightly experienced in the subject and 28% of participants evaluated the trainer as very experienced.</li> <li>• Most participants (57%) rated the trainer was moderately skilled in the subject. Many participants (29%) said that the trainer was very skilled in the subject and a few participants (14%) indicated that the trainer was slightly skilled.</li> <li>• Many participants (29%) said that the training was slightly better than their expectations. However, 29% of participants said that the training was slightly worse than their expectations. Some participants (28%) rated the training as was somewhat better than their expectations and a few participants (14%) indicated that the training met their expectations.</li> <li>• The majority of participants (57%) were moderately satisfied with the training and many participants (43%) were slightly satisfied with the training.</li> </ul>
<p><b>Updates for Other ICT Activities in the Work Plan</b></p>	

**TABLE 4: ACHIEVEMENTS, IMPACT AND EVALUATION OF ICT  
USAID COMPETE PROJECT CUMULATIVE**

- **Business and Technical Skills Development:** Identify and engage private sector companies, introduce case competition programs, and support an Executive Development (“Mini-MBA”) series in cooperation with leading U.S and Israeli universities for course content tailored for private ICT sector needs. Finished one round of the Mini-MBA with Kellogg Recanati: the program started on January 13, and finished on March 14 2013. 33 Palestinian middle managers, GMs and entrepreneurs attended the course.
- **Microsoft Research Center:** Based on the success of the USAID-sponsored Microsoft Research center-Israel incubation Project at PICTI, Microsoft is expanding the project to include more Palestinian employees who will work out of the ASAL company office in Ramallah. To ensure that the project goes forward, Compete will provide a cost-sharing grant to ASAL to off-set risks to Microsoft Israel. Compete provided a grant to ASAL company to train necessary human resources in the Palestinian areas able to work with Microsoft R&D projects. The grant will eventually create needed Palestinian talent to open a full-service Microsoft R&D center in the Palestinian Territories.
- **Export Manager Export Manager for Hire** (Palestinian IT software houses have managed to penetrate specific international markets but on a limited scale. One of the reasons is that the sales cycle for IT products and solutions are long and might take more than six months to conclude. Compete is offering the opportunity to use the services of an Export Manager/ Oversees Agent to penetrate specific markets whether to sell Palestinian products or obtain outsourcing contracts especially in the markets of the Arab Gulf countries, Saudi Arabia and USA): In Planning.
- **Cross-Sector Technology Program for Finance, Tourism, Agro, Stone & Marble Sectors** (Diffuse I
  - Technology in each sector): On-Going.

**STONE AND MARBLE**

**Progress toward Indicators**

The following chart outlines key achievements, impact and evaluation of Agribusiness activities from the beginning of the project to Mar 31, 2013.

**TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE  
USAID COMPETE PROJECT CUMULATIVE**

<b>Trade Show Participation</b>	
<i>Description</i> Assist Palestinian producers to participate at leading trade shows to enable opportunities to learn about new equipment, technology advances, and attract buyers and distributors.	
<b>Achievements</b>	<b>Impact</b>
<u>FY1</u> <ul style="list-style-type: none"> <li>• The project supported the participation of 2 companies at the Marmomacc Trade Show (Verona, Italy), in order to attract stone buyers, establish market linkages, and gain knowledge about recycling technologies.</li> </ul> <u>Q1 / FY2</u> <ul style="list-style-type: none"> <li>• Attended 'Big 5' Trade Show (Dubai, UAE) with 2 companies participating: <i>Next Step</i> represented second tier producers and</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>• Supporting export ready SME’s with new products will increase exposure to international market buyers which will lead to an increase in exports.</li> </ul> <u>FY1</u> <ul style="list-style-type: none"> <li>• 2 companies participating as a soft launch for group marketing activities.</li> <li>• 21 containers were ordered with a value of \$250,000 USD</li> <li>• 3 new markets accessed: India, Algeria, and Indonesia.</li> </ul>

**TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE  
USAID COMPETE PROJECT CUMULATIVE**

<p><i>Verona Group</i> represented 5 stone producers.</p> <p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>The project supported <i>Verona Marketing Group</i> Company to attend the Vitoria Stone Fair in Brazil.</li> </ul>	<p><u>Q1/ FY2</u></p> <ul style="list-style-type: none"> <li>518 containers sold (during and after Marmomacc and Big 5 Trade Shows) with a value of \$5,247,000 USD.</li> <li>2 major new markets accessed: Iraq and Canada.</li> <li>Jobs Created: 13 from <i>Verona Marble and Industrial Investments Co.</i></li> </ul> <p><u>Q2/ FY2</u></p> <ul style="list-style-type: none"> <li><i>Verona Co.</i> sold around \$592,000 USD as a result of Vitoria Stone Fair.</li> <li><i>Verona Co.</i> sold \$28,500 USD as a result of Big 5 trade show.</li> <li><i>Verona Co.</i> sold \$152,000 USD as a result of Marmomacc.</li> <li>1 new market accessed for <i>Verona Co.</i>: Russia.</li> <li>1 new market accessed for <i>Al Waleed Co.</i>: Korea.</li> <li>1 new female employee hired for <i>Al Waleed Co.</i></li> </ul> <p><u>Evaluation / Vitoria Stone Fair in Brazil.</u></p> <ul style="list-style-type: none"> <li><i>Verona Marketing Group</i> represented 11 companies at the trade show.</li> <li>The company evaluated the communications prior to the trade show, the preparations, the support at the trade show, and organization as very good.</li> <li>The company met 120 business leads at the trade show and made 8 potential customers. It sold 63 containers to the Brazilian, the United States, Russian, Italian, and Chinese, markets.</li> <li>The percentage of sales from displayed slabs by the represented companies was 15-30%. The company indicated the positive impact from group marketing and product representatives and has future plans to increase group marketing efforts.</li> </ul> <p><u>Recommendations / Vitoria Stone Fair in Brazil.</u></p> <ul style="list-style-type: none"> <li>The company noted that they benefitted from the participation and recommended more space.</li> </ul>
<p><b>Form Partnership with Specialized Marketing Firms</b></p>	
<p><i>Description</i></p> <ul style="list-style-type: none"> <li>Linking Palestinian manufacturers with international buyers and investors is essential for reaching global competitiveness and increasing exports.</li> <li>Group and Specialized Marketing activities will assist Palestinian companies in reaching global markets, developing promotional materials and products that meet international standards and provide continuous market intelligence.</li> <li>USAID Compete is supporting and facilitating the development of group and specialized marketing consortiums to represent second tier stone and marble producers.</li> </ul>	
<p><b>Achievements</b></p>	<p><b>Impact</b></p>
<p><u>FY1</u></p> <ul style="list-style-type: none"> <li>Identified a total of 2 joint marketing companies interested in representing stone and marble producers.</li> </ul> <p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li><i>Next Step</i> participated at the <i>Dubai Big 5</i> trade show.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>Link global buyers with Palestinian producers.</li> <li>Provide firms with access to creative marketing materials that will support export development.</li> <li>Export growth.</li> </ul>

**TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE  
USAID COMPETE PROJECT CUMULATIVE**

<b>Filter Press Evaluation and Upgrading</b>	
<p><i>Description</i> Facilitate proper maintenance and upgrading of filter presses to increase their overall effectiveness; produce higher quality products; extend the lifecycle of cutting tools; comply with environmental regulations, and capture slurry produced during the cutting process.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q1 / FY2</u></p> <ul style="list-style-type: none"> <li>• The evaluation of all filter presses across the sector was completed (86)</li> <li>• Details regarding the cost to fix and upgrade existing filter presses were analyzed (86)</li> <li>• 23 filter presses in the Hebron Industrial Zone (HIZ) require maintenance</li> <li>• 52 filter presses across sector</li> <li>• Coordinating with Union of Stone and Marble (USM) to vet the companies in starting from HIZ and moving cross-sector</li> <li>• Procurement / Contract are in the final stages</li> <li>• General Procurement Notice in the local newspaper for 7 days prior to awarding the contract</li> <li>• Contract preparation in progress.</li> </ul> <p><u>Q2 / FY2</u></p> <ul style="list-style-type: none"> <li>• RFP for Filter Press maintenance outside of the Hebron industrial zone, vetting companies, preparing the contract for maintenance;</li> <li>• RFP for sludge new product development pre-feasibility submitted;</li> <li>• Environmental expert Mr. Nazih Bandak and the stone and marble team conducted a site visits to four factories in the Hebron to address some of the environmental compliance concerns related to filter press activities.</li> <li>• 13 Palestinian Stone and Marble factories located in the Hebron Industrial zone will receive maintenance services as a first stage to fix all filter presses in the West Bank.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• Enabling stone producers to transform slurry to sludge to meet environmental requirements, recycle water and increase cutting tool lifecycle.</li> <li>• Will increase effectiveness, higher quality products are produced, short the lifecycle of cutting tools, recycle water for the stone producers, comply with environmental regulations and capture all slurry produced during the cutting of stone</li> </ul>
<b>Sludge New Product Development</b>	
<p><i>Description</i> As part of project efforts to support the sustainability and transformation of the Stone and Marble sector there has been a great focus on the sludge issue or more specifically the ability to transform slurry to sludge that has further economic value. Compete will conduct a feasibility analysis and assist in cost and financial planning for the production of new sludge-based products and processing production.</p>	
<b>Achievements</b>	<b>Impact</b>
<p><u>Q2/FY2</u></p> <ul style="list-style-type: none"> <li>• Pre-Feasibility studies submitted and review. Further letters with comments were sent out to all applicants.</li> </ul>	<p><u>Overall</u></p> <ul style="list-style-type: none"> <li>• This activity will attract investors interested in new product development using dry sludge. Activities will focus on targeting stone producers throughout the stone</li> </ul>

**TABLE 5: ACHIEVEMENTS, IMPACT AND EVALUATION OF STONE & MARBLE  
USAID COMPETE PROJECT CUMULATIVE**

	industry as potential investors. This program will be open to potential investors in other industries and potentially Palestinian expatriates.
<b>Filter Press Cost Sharing Cross-Sector Program</b>	
<i>Description</i> To provide an equal opportunity for stone producers to own filter presses to transform slurry to sludge, meet environmental requirements; recycle water and increase cutting tool lifecycle.	
<b>Achievements</b>	<b>Impact</b>
<u>Q2/FY2</u> <ul style="list-style-type: none"> <li>Working on the contract draft.</li> <li>Verify list of suppliers by official stakeholders.</li> </ul>	<u>Overall</u> <ul style="list-style-type: none"> <li>This activity will enable stone producers to transform slurry to sludge, meet environmental regulations, and expand their income by engaging in new product development using sludge.</li> </ul>
<b>Updates for Other Stone &amp; Marble Activities in the Work Plan</b>	
<ul style="list-style-type: none"> <li>Export to Hire Program / Export Managers (Identify and hire international export managers linked to group marketing companies): Awaiting companies to submit proposals.</li> <li>Recycling Technology (A local company will be collaborating with the Women Union to hire female employees and create new products): Proposal will be submitted by May 23.</li> <li>PPU Stone Center (Training current and previous graduates on using new machines): Meeting with PPU Stone Center will be conducted to discuss and plan for this intervention.</li> <li>PPU Stone Center (Graduate to Hire Program): Meeting with PPU Stone Center will be conducted to discuss and plan for this intervention.</li> </ul>	