



USAID
FROM THE AMERICAN PEOPLE

WEST BANK/GAZA

USAID/COMPETE QUARTERLY REPORT

January 1, 2015 – March 31, 2015

April 30, 2015

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. It was prepared by DAI.

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DAI

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ACRONYMS AND ABBREVIATIONS

AHA	Arab Hotels Association
B2B	Business to Business
CIBER	Competitiveness Impact of Business Environment Reform
COP	Chief of Party
DQA	Data Quality Assessment
EU	European Union
FY1	Fiscal Year One of the USAID Compete Project
FY2	Fiscal Year Two of the USAID Compete Project
Geo-MIS	Geographical Management Information System
GlobalGAP	Global Good Agricultural Practice
HLITOA	Holy Land Incoming Tour Operators Association
ICT	Information and Communications Technology
iOS	Internet Operating System
M&E	Monitoring and Evaluation
MoA	Ministry of Agriculture
MoTA	Ministry of Tourism and Antiquities
MoU	Memorandum of Understanding
NSFT	National Association for Specialty Food Trade
PCARD	Palestinian Center for Agricultural Research & Development
PITA	Palestine Information Technology Association
PMEP	Performance Monitoring and Evaluation Plan
PPIS	Plant Protection Inspection Service
PPSQ	Plant Protection safety and Quality
PSI	Palestine Standards Institute
FY3/Q2	Second quarter of USAID Compete Project Fiscal Year 2014
RFP	Request For Proposal
RFQ	Request for Quotations
SME's	Small and Medium Enterprises
SOW	Scope of Work
TAMIS	Technical and Administrative Management Information System
USAID	United States Agency for International Development
USDA	United States Department for Agriculture

EXECUTIVE SUMMARY

USAID's partnership with the Palestinian private sector through USAID/Compete interventions accomplished much during the three-year base period. Beginning in quarter one of fiscal year four, the project began a new approach to solidifying the core of competitiveness. It marks a transition period to increase Palestinian export and local market competitiveness by addressing systemic market failures to set the foundations of a more competitive and inclusive market system. The second quarter of the fourth year, reported here, demonstrates continued economic growth through increased exports and jobs, particularly targeting women and youth in the sectors.

AGRIBUSINESS

Enhancing access to markets through forward contracting

- During the base period, Top Field Company was assisted in establishing forward contracts with local and Jordanian companies to provide potatoes and carrots. Top Field has reaped the benefits of accessing new markets, signing 8 new contracts this quarter to provide over 2000 tons of produce to Israel.

Upgrading technology to improve the fresh herbs subsector

- In FY3, USAID/Compete provided support to 16 farmers in the fresh herb sector to upgrade related facilities. This quarter, three farmers increased exports by over US \$800,000 total, two farmers hired 8 new workers, and one farmer introduced basil as a new product.

TOURISM

Rehabilitating urban tourist destinations to enhance experiences

- Two site renovations were completed this quarter, including the King David Street renovations in Bethlehem and the Bethany Historic Center renovations. These sites now provide new and improved Palestinian products and services for an enhanced tourist experience.

Developing priority destinations and new activities

- In 2014, USAID/Compete supported Samara Tours in adding important sections to their initial tourism toolkit, including guides for additional marketing activities that can be used by other stakeholders. After a previous rough season due to the events related to Gaza last summer, Samara Tours bounced back this quarter and increased sales by US \$40,387.

ICT

Celebrating continued success from multinational partnerships

- USAID/Compete previously supported Jaffa Net Company to develop a HeadUP application that blocks applications at specific times. This quarter, Jaffa Net signed a new contract to develop a mobile billing application, generated sales with a value of US \$105,464, and created 8 new jobs; two are female and four are youth. Jaffa.net also won the 2015 Mobility Innovation Award for the MENA region.

Establishing the software sector in the West Bank

- In 2013, USAID/Compete facilitated iConnect, a Palestinian software company specializing in outsourcing and consulting, in developing two partnerships with international companies working in healthcare and retail e-commerce. This quarter, iConnect generated sales with a value of US \$116,762 and created 3 new jobs; two of them are female and all of them are youth.

STONE & MARBLE

Supporting creative new products designed by women

- USAID/Compete is supporting Fonoun Company for Carved Stone and Marble, which employs skilled women, including engineers and managers, to develop creative stone products. Fonoun hired a woman marketing manager this quarter.
- Due to USAID/Compete's support for women in the industry, the Compete stone & marble Sector Lead was chosen to participate on a panel to select Palestinian companies to attend the Bahrain Competition for Women Businesses and Producers. The information showcased at the event reaffirmed growing support for women in the sector and the need for further support.

The project will continue to provide technical assistance to Palestinian enterprises and Business Support Organizations with an economic and business rationale that prioritizes and targets project assistance and investments at the critical constraints to growth in the economy. This new phase leverages the successful initiatives, partnerships and achievements during the base period of the contract and previous USAID investments, and introduces a rigorous market systems approach to address the issues that constrain competitiveness in the four key USAID/Compete sectors.

PROJECT PURPOSE AND APPROACH

In this two-year option period, the USAID/Compete project is using a new approach to increasing Palestinian export and local market competitiveness by addressing systemic market failures to set the foundations of a more competitive and inclusive market system.

A market system (as defined by USAID through the Leveraging Economic Opportunities – LEO – Project) is a network of producers, buyers, and other actors that come together to trade in a given product or service. The application of this approach allows the project to support direct market players (buyers, producers and consumers), suppliers of supporting goods and services (such as finance, equipment and business support services) and entities that influence the business environment (primarily business associations) in an integrated and interrelated way. While critical solutions for many of the enabling environment challenges faced by Palestinian businesses are outside their control (or that of the project), USAID/Compete is using lessons gathered during the base period to address simple yet meaningful issues that would provide local actors with a sense of empowerment and achievement.

The project continues to provide technical assistance to Palestinian enterprises and Business Support Organizations but with an economic and business rationale that prioritizes and targets project assistance and investments at the critical constraints to growth in the economy. This new phase leverages the successful initiatives, partnerships and achievements during the base period of the contract and previous investments by USAID and introduces a rigorous market systems approach to address the issues that constrain competitiveness in four key sectors with high growth and employment potential, including agribusiness, tourism, information and communications technology, and stone and marble.

At the beginning of the option period, the team conducted a rigorous analysis of each sector using the market systems lens and identified five key market failures and strategies for each sector. These can achieve greater impact, higher value-added exports, product diversification, and reforms in the business enabling environment. The five strategies are as follows:

1. Enhance access to markets
2. Strengthen and support the production of high value-added products and services.
3. Foster a sector-wide strategy to improve the quality of human resources and service standards.
4. Improve access to finance and investment.
5. Support enablers and service providers to address sectoral and policy impediments.

This quarterly report provides updated advances regarding programs under each of these strategies, reflecting the progress made toward Palestinian business growth, visibility, and competitiveness.

SUMMARY OF PROGRESS BY SECTOR

AGRIBUSINESS

Enhancing Market Access

Firm Level Technical Assistance – USAID/Compete is designing a new initiative to provide technical assistance to exporting and non-exporting firms in the agribusiness sector to increase financial, management, and marketing capacity. Firms which previously received USAID/Compete support are automatically eligible to receive assistance under this initiative; all others must apply. All firms then undergo an assessment and once selected, will receive targeted support under three components: technical assistance, provision of equipment and inputs, and workforce development.

During March, several field assessments were conducted to previous USAID/Compete beneficiaries to determine the status of implemented projects and discuss their needs. The companies visited included Al Forat Agricultural Company, Al-Aqaba Rural Women's Cooperative, Tubas Company for Packaging and Marketing Agricultural Products, Al Forat Agricultural Company, and Ahmad Zaki Farm

Based on pre-assessments of beneficiaries, 14 firms have expressed interest in hiring an agronomist, indicating a need for an agronomist training program. On March 25th, a meeting was held with the Na'em Khader Training Center and the Palestinian Agricultural Relief Committee (PARC) to discuss providing the agronomist training. They provided information for the program and are ready to provide training.

Agribusiness Trade Shows – USAID supports the participation of Palestinian agribusiness companies at international trade shows to assist export ready firms in scaling-up their international presence. In the past, this has resulted in increased exports and opening new markets. Companies have participated in Foodex Saudi, SIAL, Fruit Logistica, Gulf Food, and Fancy Food during various years.

Emirates Delights

Emirates Delights participated at Fruit Logistica 2013, Fruit Logistica 2014, Gulfood 2013, Gulfood 2014, and SIAL 2014 with USAID/Compete support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in these tradeshows.

Impacts this Quarter Include:

- Emirates Delight exported US \$57,000 in products as a result of attending Fruit Logistica, US \$163,200 as a result of attending Gulfood, and US \$39,900 as a result of attending SIAL 2014.
- Emirates Delights was able to access 1 new market: France.
- Emirates Delights introduced 1 new product.

Josour Company

Josour Company participated at Foodex 2014 with USAID/Compete support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in this tradeshow.

Impacts this Quarter Include:

- Josour Co. exported US \$27,272 in products to Saudi Arabia as a result of attending Foodex 2014.

Daraghmeh Company

Daraghmeh Company participated at Fruit Logistica 2013, Fruit Logistica 2014, and WorldFood Moscow 2013 with USAID/Compete support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in these tradeshows.

Impacts this Quarter Include:

- Daraghmeh exported US \$248,863 in products as a result of attending Fruit Logistica 2013 and 2014.

Canaan Fair Trade

Canaan Fair Trade participated at Fancy Food 2012, Fancy Food 2013, Fancy Food 2014, Gulfood 2013, and Gulfood 2014 with USAID/Compete support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in these tradeshows.

Impacts this Quarter Include:

- Canaan Fair Trade exported US \$41,632 in products as a result of attending Gulfood 2014.

Jibrini Company

Jibrini Company participated at Gulfood 2014 with USAID/Compete support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in this tradeshow.

Impacts this Quarter Include:

- Jibrini introduced 3 new products: Kashkaval cheese, mozzarella cheese, and milk with chocolate and vanilla flavors.

Adopting International Standards – USAID supports the implementation of practices and packaging based on international standards to improve ability for companies to penetrate global markets.

National Carton Company

USAID/Compete supported the National Carton Company, a Palestinian packaging manufacturer, during FY3 in achieving compliance with ISO 9001 certification schemes. Such international standards improve a company's ability to penetrate global markets, enabling them to grow.

Impacts this Quarter Include:

- In March, the National Carton Company passed the external audit and became ISO 9001 certified.
- National Carton Company was able to sell proper carton specifications that comply with the food packaging and labeling norms of the Palestinian Standardization Institution (PSI) with a value of US \$28,811.

Supporting Facility and Service Upgrades – USAID/Compete is strengthening targeted export ready and non-export ready subsectors by assisting with resource upgrades on a cost-share basis that would otherwise limit the sector's ability to grow.

Canaan Fair Trade

Last quarter, USAID/Compete signed a grant with Canaan Company to hire an export manager for the Gulf market that will introduce the brand, manage market entry, and manage distribution to retailers and food service outlets. USAID/Compete also facilitates Canaan with developing feasibility studies for new products, identification of market linkages, and drafting of forward contracts.

On March 9th, a meeting was held at Ben & Jerry's (B&J) headquarters to follow up on the progress in linking the company with potential Palestinian suppliers. It was agreed that USAID/Compete will concentrate its efforts with Canaan to supply B&J with crushed almonds and swirl date paste. Negotiations will continue into the third quarter.

Impacts this Quarter Include:

- Canaan exported products with a value of US \$929,762.

Emirates Delights

During 2014, USAID/Compete supported Emirates Delights Marketing Company in hiring an export manager in Dubai and developing a new factory layout. The export manager is aiming to open new markets and export to the Gulf region and Near East Asia market and the factory layout uses international food safety standards to improve the competitiveness, sustainability, and the export capabilities.

Impacts this Quarter Include:

- Emirates Delights exported products with a value of US \$225,600.

Top Field Company

During the base period, Top Field Company was assisted in establishing forward contracts with local and Jordanian companies to provide potatoes and carrots, resulting in a need for improved equipment to maintain supplies. To supplement, USAID/Compete assisted Top Field in installing a new cooling room to ensure high quality produce will be provided to their clients. In January, Top Field Company completed the installation of a 150 square meter cooling room and the training necessary to operate the room appropriately.



Farmers learn how to operate a cooling room

Impacts this Quarter Include:

- 6 of people were trained during the cooling room training for Top Field Company. Three were youth.
- Top Field signed 5 contracts to provide 300 tons of carrots, 250 tons of sweet and red potatoes, 150 tons of tomatoes, 100 tons of white and red cabbage, and 15 tons of eggplants to Khaled Abu Tawahina, a representative of Shafit Company, in Israel.
- Top Field signed 1 contract to provide radishes, kohlrabi, fennel, celery, peas, beetroots, and turnips to Israel.
- Top Field signed 2 contracts to provide 335 tons of eggplants, 140 tons of sweet potatoes, 600 tons of onions, and 200 tons of plum tomatoes to Omar Kadah in Israel.
- Top Field increased the area under technology and cultivation for export crops by 262 dunums.

Al Forat Company

During the base period, Al Forat Company was assisted in establishing forward contracts with local and Jordanian companies to provide potatoes and carrots, resulting in a need for improved equipment to maintain supplies. With new cooling rooms and packing houses, high quality produce will be provided to their clients. During the last week of February, Al Forat completed the installation of three cooling rooms and the training necessary to operate the rooms appropriately.

Impacts this Quarter Include:

- 2 people were trained during the cooling room training for Al Forat; both were youth.
- Al Forat increased exports by US \$140,000.
- Al Forat increased local sales by US \$260,000.
- Two Farms, Samer Abu Khaizaran and Atouf Company, began producing red potatoes as a result of Top Field and Al Forat's success.

Abd Al Hakeem

USAID/Compete assisted Abd Al Hakeem in signing five contracts with Jordanian companies to supply potatoes, carrots, and onions early in FY2015. They began exporting carrots in February 2015 and are scheduled to begin exporting potatoes and onions in April 2015.

Impacts this Quarter Include:

- Abd Al Hakeem signed a contract to provide 3000 tons of carrots to Jordanian company, Nakheel Jordan.
- Abd Al Hakeem signed a contract to provide 2500 tons of potatoes, 1700 tons of onions, 230 tons of onion bulbs, and 550 tons of carrots to Jordanian company, Ayed Abu Shehab Company.
- Abd Al Hakeem hired 42 new seasonal workers.

Al Buqea and Al Fara'a Farms

During the base period, Al Buqea and Al Fara'a Farms was assisted in establishing forward contracts with local and Jordanian companies to provide potatoes and carrots, resulting in a need for improved equipment to maintain supplies. With new cooling rooms and packing houses, high quality produce will be provided to their clients. During January, Al Buqea completed the installation of three cooling rooms and the training necessary to operate the rooms appropriately.

Impacts this Quarter Include:

- 5 people were trained at the cooling room training for Al Buqea and Al Fara'a farm. None were female and four were youth.

Nussiebeh Farm

Nussiebeh Farm produces fresh herbs for the export market. USAID assisted the farm in building four new cooling rooms in the packing house to provide high quality produce to their clients. During February, Nussiebeh completed the installation of the cooling rooms and the training necessary to operate the rooms appropriately.

Impacts this Quarter Include:

- 5 people were trained at the cooling room training for Nussiebeh Farms. One was a youth.

Al Hithnawi

Al Hithnawi General Trade Company, a seed and spice packing company, is upgrading their production facilities to stimulate the local market by providing new products: herb and seed oils. As a result, over 100 local suppliers will benefit from Al Hithnawi's need for large quantities of local produce for raw materials.

From February 5th through 8th, Al Hithnawi visited the two manufacturers in China that will supply the new equipment. The equipment was tested and approved by the owner, Mr. Basheer Hithnawi, in accordance with specifications. In addition, Mr. Hithnawi received four days of training from the manufacturer's engineers on operating and maintaining the equipment.

On March 25th, a field visit took place to Al Hithnawi to follow up on implementation progress. They installed most of the infrastructure related to seed and herb packing and distillation lines and are following the factory ISO22000 layout developed by Compete food safety consultants. This initiative is scheduled to be completed during the third quarter of FY2015.

Holy Tree Cooperative

USAID/Compete supported the purchase of an olive oil tank for the Holy Tree Cooperative during quarter one of FY2015 to increase their productivity. The cooperative is based in Tubas in the northern West Bank and has 59 members, 16 of which are women.

Impacts this Quarter Include:

- Holy Tree increased export by 1.5 tons with a value of US \$11,842.

Scientific Lab Nablus

In 2012, USAID/Compete conducted a gap analysis for Scientific Lab Nablus regarding lab accreditations, microbiology analysis, and pesticide residue analysis according to ISO17025 standards. Based on the results, USAID/Compete is assisting the lab on a cost-share basis in acquiring the necessary equipment, which will qualify it to achieve the ISO accreditations in the future. The procurement for the equipment is expected to conclude in the following quarter.

Impacts this Quarter Include:

- 2 new services were introduced at Scientific Lab.

Tubas Packing and Marketing Company

In 2014, USAID/Compete supported Tubas Packing and Marketing Company (TUPAK), an aggregator made up of 10 farmers and companies, in establishing a packing house and four cooling rooms. Through this aggregator, farmers are able to use the equipment and facilities at low costs, allowing them to overcome the additional logistical issues that negatively impact quality, price, and competitive capacity, enabling them to meet the market demands in Jordan and the Gulf.

Impacts this Quarter Include:

- Tubas Packing and Marketing Company increased local sales from carrot washing by US \$19,143.
- Tubas packing and marketing Company hired 3 new workers.

Green Qalqilya Company

In 2014, USAID/Compete assisted Green Qalqilya Company, an aggregator made up of three guava and avocado companies and five farmers who represent 40% of their sectors, in establishing a packing house and two cooling rooms. Through this aggregator, farmers are able to use the

equipment and facilities at low costs, allowing them to overcome the additional logistical issues that negatively impact quality, price, and competitive capacity, enabling them to meet export market demands.

Impacts this Quarter Include:

- Green Qalqilya Company generated 558,334 Kg of guava, 31,405 Kg of pepper, 183,760 Kg of lemon, and 144,576 Kg of avocado exports with a total value of US \$1,066,180 between October 2014 and March 2015.

Vegetable Nurseries

During FY2014, USAID/Compete supported two nurseries, Atta Abu Rub and Juneidi, in upgrading nursery facilities, including seeder machinery, shading net, and a washing machine, according to GLOBALGAP standards. These upgrades enabled one nursery to donate an old seedling machine to Thinabah Nursery, further strengthening the sector. USAID/Compete provided machine training to the staff at Thinabah to ensure sustainability.

Impacts this Quarter Include:

- Juneidi Nursery hired 5 new workers.
- Due to Atta Abu Rub Nursery's provision of grafted seedlings, farmers who purchased the seedlings increased area under new technology and improved management by 27 dunums.
- Atta Abu Rub Nursery hired 1 new worker.
- Thinabah Nursery increased local sales by US \$9,682.

Fresh herbs

In FY3, USAID/Compete provided support to the fresh herb sector by upgrading facilities. 16 fresh herbs farmers were assisted with netting to enable compliance with integrated pest management practices, allowing the companies to sustain in the US market and reach new markets.

Impacts this Quarter Include:

- Jannet Adan increased exports by US \$738,684.
- Jannet Adan hired 4 new female workers.
- Bashar Abu Khaizaran increased exports by US \$9,205.
- Bashar Abu Khaizaran hired 4 new male workers.
- B&S/Zadona increased exports by US \$60,868.
- Increase in local sales for Sami Abu Mansour by US \$35,000
- Sami Abu Mansour introduced a new product: Basil.

Strengthening High Value-Added Products, Services, & Technologies

Launching Pilot Projects – USAID/Compete is assisting high value-added subsectors in launching pilot programs with new technology and/or new crops to increase productivity and meet market demands.

Strawberry Subsector

In 2014, strawberry farmers worked on a cost-share basis to upgrade irrigation infrastructure and install hanging systems. The new technology enabled increased production rates, improved quality, and early harvests, which sold at double the seasonal average.

On January 14th and 15th, 2015, strawberry farmers completed a two-day production training course in Israel in coordination with civil administration (CA) agriculture department. Day one included field visits to Yuda Romano, a leading Israeli strawberry nursery, and modern Israeli strawberry farm. Day two covered theoretical training, such as seedling production, farm management, plant maintenance, and



Farmers visiting strawberry fields during training

financial and feasibility analysis.

On February 7th, a field visit took place to one of the strawberry farms with USAID Mission Director Dave Harden and USAID Administrator's Assistant, Paige Alexander. The farmer, Osama Abu Rub, shared his successes from the intervention, having produced around 15 tons valued at US \$52,000, and his plans to produce seedlings in the future. Following the site visit, the USAID officials met with 20 farmers from other agribusiness subsectors to discuss the challenges and opportunities they face.



USAID Administrator's Assistant Paige Alexander meeting with Palestinian farmers.

On March 31st, a field visit with several Tulkarem strawberry farmers took place to assess progress and identify any impediments. All visited farmers are implementing the project according to the requirements and the results are perfect on quantity and quality. The farmers also confirmed that this subsector is feasible and will expand their respective projects. Regarding future initiatives, the Compete team identified several needed improvements, including new carton designs, business plans, and seedling production.

USAID/Compete continues to provide technical assistance as necessary through a consultant. Assistance includes plant maintenance, including irrigation and fertilization, and production of in-house seedlings. In addition, a business plan will be developed to guide the expansion or initiation of strawberry farms in the future.

Impacts this Quarter Include:

- 28 people attended the strawberry farmers' management training. Four were youth.
- Five strawberry farmers increased local sales by a total of US \$223,899.
- 3 new workers were hired at one of the strawberry farms.

Asparagus Subsector

Through last quarter, USAID/Compete assisted a Palestinian farmer who owns approximately 40 dunums of green houses in Al Fara'a area to plant 5 dunums of asparagus to introduce the new crop and related technologies. Support included the purchase of seedlings, sprinklers, and an irrigation network needed to process the specialized new crops and meet market requirements. This quarter, USAID/Compete supported a training on asparagus planting to increase capabilities for the sector.

Impacts this Quarter Include:

- 21 people attended the asparagus planting training. None were female and 17 were youth.

Ahmad Zaki (New Crops)

In 2012, Mr. Ahmad Zaki, a farmer from the Arraba plains near Jenin, began to plant new varieties of trees and installed a new hanging system for growing grapes. He later began a demonstration introducing several new varieties of fruit to the area, including new types of peaches, nectarines, plums, and pomegranate. In 2014, USAID/Compete saw the opportunity to increase the presence of new crops in the area and assisted Ahmad Zaki in installing a water irrigation system, a water pool, and the hanging system for grapes.

Impacts this Quarter Include:

- Ahmad Zaki increased area under new technology by 106 dunums.
- Ahmad Zaki introduced 5 new crops.
- Ahmad Zaki hired 5 new workers.

Lychee

Among the new crops USAID introduced to the Palestinian agriculture sector in previous years is lychee fruit. A model farm was established in the northern West Bank to test the success of the crop; the fruit was chosen for its adaptability to the climate and adequate soil quality in the area, as well as being a high profit product with high export demand.

Impacts this Quarter Include:

- Abd Al Fattah Abd Al Qader “Lychee farm” hired 4 new workers.

Identifying Growth Limitations – USAID/Compete is working to identify impediments for growth along value chains. Studies, knowledge exchange visits, and export market plans will be developed to assess these limitations in the date, fresh herbs, dry herbs, fresh vegetables, and fruit subsectors.

Cooling Chain Study

This quarter, USAID/Compete conducted a cooling chain study to evaluate postharvest handling processes in several commodities in conjunction with existing cold chain components. Target commodities include: guava, avocado, dates, fresh herbs, carrots, potatoes, and table grapes. The study revealed poor or nonexistent cold chain management in all the targeted commodities and little knowledge about postharvest harvest handling and importance. Although, strong subsectors such as fresh herbs and dates are investing heavily in proper postharvest technologies, there still room for improvement.

Enhancing Packaging & Labeling – USAID/Compete assists Palestinian companies to upgrade the design, packaging, labeling, and marketing of goods to increase competitiveness and compliance, allowing beneficiaries to penetrate new markets.

Al Aqaba Rural Women’s Cooperative

Earlier this year, Compete worked with Al Aqaba Rural Women’s Cooperative, a women’s cooperative with about 60 members from Tubas that generates products from raw materials, and Josour Company for Investment & Agricultural Marketing, a local Palestinian marketing company, to design new packaging for the cooperative’s products. By upgrading to bag-in-bag packaging for dry

herbs, the cooperative can now supply products to local hotels and meet international standards, enabling them to fetch higher profits and provide for new distribution channels.

During the last week of February, the cooperative successfully completed the installation of the herbs filling and packaging machine and the wrapping machine, as well as the training necessary to operate the machines appropriately. Compete also conducted two follow-up field visits at the end of March to assess the installation, give feedback, and conduct a needs assessment for future interventions.

Impacts this Quarter Include:

- Four people attended the machine training for Al Aqaba. Three were female; all three women were youth.
- Josour introduced 5 new products.
- Josour increased local sales by US \$7500.
- Josour Co. hired 2 new workers.

Date Packaging

Compete, in previous quarters, supported date companies with designing new date packages to enable the companies to meet international standards.

Impacts this Quarter Include:

- Qitaf Company printed the new design and exported around 160 tons of dates to Turkey, France, and South Africa with a value of US \$1,440,000.
- Qitaf Company was able to access three new markets: France, South Africa and Turkey.

Supporting Enablers and Service Providers to Address Impediments

Tapping Unused Water Resources – USAID/Compete is beginning to work sector-wide with stakeholders, local authorities, and key actors to help them access and maximize the use of current water resources. This will increase irrigation to improve both the quality and quantity of agricultural products, transforming the Palestinian agribusiness sector into a globally competitive industry. The project will identify underutilized wells and transfer excess water to nearby areas including Area C.

On February 2nd, a meeting was held at Beit El with the Israeli Civil Administration (CA), USAID, and the design companies to discuss the CA design requirements for the three Area C water projects.

Jiftlik Water Design

This quarter, Compete offered support for the Jiftlik Water Design, which intended to provide water from wells located at Froush Beit Dajan to Al Jiftlik. This would have increased the amount of available water for agriculture and livestock husbandry to 2,270 dunums.

In January, a meeting was held with the well owners in the Frush Beit Dajan Local Village Council to discuss the design project of the trunk line from Frush Beit Dajan wells to Jiftlik. The aim of the meeting was to introduce the project in more detail to the well owners so they can confirm their participation in the project and add their recommendations. The design company, the project local committee, and the Compete team also attended the meeting.

In February, a final assessment report was produced for Phase I of the Jiftlik water design. The report provided a general description of the project area, the agricultural practices, available water resources and description of the wells in the area that could provide the water resources. It also provided environmental and economic assessments of the project.

In March, the project planning for Jiftlik was deemed unfeasible. Compete ceased all efforts on this project as a result; however, another water project will replace this one in the future.

Introducing New Water Sources – USAID is pursuing treated waste water (TWW), a previously untapped resource in the West Bank, as a solution to the largest impediment for agricultural production: water shortages. Reuse of TWW is one of the few feasible means of increasing water resources and offers significant opportunity to introduce new crops for export.

On January 20th, Compete met with KfW Development Bank/EU and Nablus Municipality's Water Supply and Sewerage Department (WSSD) to discuss the coordination of two projects which will use TWW from the Nablus West Plant. The first project is the Greening of Deir Sharaf and Jalameh, financed by USAID with an experimental pilot project covering an area of 200 dunum (20 ha) and a foreseen expansion area of 7000 dunum (700 ha) at a later stage. The second project is jointly financed by the Federal Republic of Germany and the EU, targeting an area of 30 dunums (3 ha) inside the Nablus West WWTP as a pilot project and about 100 dunum (10 ha) outside the boundaries of the treatment plant in cooperation with the local farmers.

On March 5th, a field visit was conducted with Compete, USAID, and Portland Trust to learn about small scale TWW plant technologies. The plant, located in Alfashkha Resort (Dead Sea area), uses the wet beds technology to treat waste water from the toilet facilities. The technology was presented by the project manager Professor Richard Robin, the designer Engineer Arnon Goren, and environmentalist Avner Goren.

On March 26th, USAID and Compete celebrated World Water Day in Beir Dala. Many beneficiaries and donors were present to confirm the status of ongoing projects and discuss issues that beneficiaries are facing.

Deir Sharaf TWW

USAID/Compete is supporting the design and expansion of the Deir Sharaf TWW plant in Nablus to provide an alternative water source for farmers in the area.

On February 12th, a kick off meeting was held under the auspices of Nablus Municipality to launch the pipe network design for the area to be irrigated by the Nablus West WWTP. A presentation of the design phases was conducted by the design company, CDG Community Development Group, followed by a discussion. Attendees included the Ministry of Agriculture, the Palestinian Water Authority, the Environmental Quality Authority, the Palestinian Standard Institute, four village councils, the Near East Foundation, KfW, farmers associations, and water user associations.

Greening Jalameh

After rehabilitation and reconstruction of the Jenin WWTP, USAID/Compete aims to establish a 100 dunum demonstration site to introduce and adapt the practices of wastewater reuse for irrigated agriculture. Using wastewater from the Jenin treatment plant, the project will work closely with farmers and community leaders in the northern West Bank to demonstrate how treated wastewater can be reused safely in agricultural production.

On February 24th, a field trip was carried out to Al Jalameh near Jenin to update USAID about the progress of the project. The trip aimed to coordinate and share experience with other donors and to introduce the project to Portland Trust, who was also present. They are considering a similar TWW reuse project in Jericho upon the completion of Jericho WWTP. The trip included: a visit to Al Jalameh WWTP and a meeting with the operator; a visit to the project lands and a meeting with

farmers; and a meeting with the representative of Marj Bin Amer Water Users Association. Planning for this program will continue during the third quarter.

Lessons Learned

During FY3, USAID/Compete assisted in implementing demonstrations of lychee and mango fields. Following the rare frost in Qalqilya on January 8 and 9, it became evident that lychee trees are far more tolerant than mango trees. The lychee crop was hardly affected by the frost while serious damage was evident on the mango crop. Therefore, there is higher risk in expanding the mango demonstration, although it could be very profitable for Qalqilya farmers.

A few hard frosts took place during January and February, potentially threatening the development of new crops. However, in the Al Buqea plain, near Tamoun, mango and avocado crops did well despite record cold weather. This indicates that the area provides good conditions for these particular crops, therefore should be further developed in the region.

The results from the Cooling Chain Assessment revealed that each subsector requires specific attention to the cooling chain and that establishing successful cooling chains is very important. Going forward, Compete will address the development in cooling chains more readily and specifically to each subsector.

Planned Programs for the Following Quarter

- Launch the firm level technical assistance program.
- Procure a packaging line for the West Bank Salt Company's Jericho packaging house.
- Begin the mushroom cultivation project.
- Sign design agreement for the Tammoun Water Project, which will transfer water from existing wells to the area.

TOURISM

Enhancing Market Access

Destination Marketing and Branding – USAID/Compete supports the marketing, branding, and promotion of key sites and services in the West Bank to attract visitors and support sales at individual businesses. Both the private and public sectors are engaged to build the image of Palestinian destinations and recognition among consumers.

Bethlehem Destination Hub

USAID is supporting a pilot project to develop Bethlehem, the most visited city in the West Bank, into a southern West Bank destination hub for tourism. After developing Bethlehem, this approach will be scaled up to fund similar work in Jericho for the Dead Sea area and Nablus for the northern West Bank, increasing the accessibility and resources available to tourists in the West Bank.

On February 6th, USAID/Compete, Bethlehem Municipality, and local youth councils held a 5K Run in Bethlehem. More than 500 participants



USAID Mission Director Dave Harden preparing for the run with Palestinian youth.

attended, mainly made up of youth from throughout the West Bank. The route went through Bethlehem's landmarks and newly renovated tourism sites under the CCHP contract to market them and highlight the link between the new attractions. The event was concluded with an awards ceremony and a musical performance. USAID Mission Director David Harden, visiting USAID Assistant Administrator Paige Alexander, and Mayor of Bethlehem Municipality Verra Baboun all attended the event.

A Final Strategic Plan for Bethlehem, a Final Brand Creative Brief, and Investment Briefs are expected to be completed by June. These will be based on the assessment completed last quarter and a competitive analysis conducted by a team of consultants.

Rebranding HLITOA

USAID/Compete supports the design of a new branding strategy and messaging guideline to increase awareness and unify the image of the West Bank tourism sector. Under this initiative, the Holy Land Incoming Tour Operators Association (HLITOA) is re-branding their image and will assist local tour operators in utilizing the new strategy. Green Team Global, a US-based subcontractor, performed a site assessment in December to develop HLITOA's new brand and a draft of the West Bank-specific branding strategy.

In January, the HLITOA board approved the new branding strategy, including a new organization name, brand, logo, and message, as well as guidance for other Palestinian tourism companies to unify their own brands. The plan provides direction every aspect of the brand, such as how to create new names, logos, taglines, and umbrella messages, which will better assist members with marketing materials.

On February 11th, USAID/Compete and HLITOA launched the branding strategy to members, who learned about the strategy and provided feedback. Using the new strategy, HLITOA held two branding workshops with the objective of training tour operators how to use it and unify the West Bank image.

Component B: HLITOA

The Holy Land Incoming Tour Operators Association (HLITOA) is one of the main stakeholders in the Palestinian tourism industry with a membership of 46 Palestinian tour operators.

USAID/Compete is assisting HLITOA in gaining capacity to better serve their members, provide tailored solutions, and help tour operators and hotels attract more tourists.

Organizing Familiarization Trips – USAID/Compete periodically organizes tours for international, Arab Israeli, and local media and tour operators to test products in the field to overcome perceptions of insecurity, access, and quality. Activities are geared at having selected, high-profile travel stakeholders visit and engage with local business in discussions on how to incorporate adventure, cultural, and experiential tourism products into existing and new itineraries to Israel and the West Bank.

Study Tours

Study tours are held at local sites to facilitate input from HLITOA members and other key stakeholders, all of which play a critical role in developing, packaging, and promoting tourism products. There are three key purposes to the study tours: ensure destination enhancements are attractive and practical; ensure the sites meet the needs and interests of visitor markets; and facilitate visitor and tour operator use.

During February, HLITOA held two study tours visiting Sabastiya, near Nablus, and Battir. The participants gave feedback on the renovations and collaborated on ideas to further promote these locations.

Hotel Classification Standards –

USAID/Compete supported the implementation of classification standards and related training in 2014 to ensure high quality service is a hallmark of the Palestinian tourism sector. In 2014, AHA was supported under this initiative to assist hotels in achieving the hotel classification. Since, they have continued to promote this service without USAID support; however, hotels will be supported to achieve classification under the firm level technical assistance program in the future.



Tour companies participating in the study tour to Sabastiya.

Impacts this Quarter Include:

- 35 hotels are classified to date.

Component B: AHA

The Arab Hotel Association (AHA), the official representative of Palestinian hotels, provides a variety of services to develop the Palestinian tourism sector. USAID/Compete supports AHA to improve and increase Palestinian tourism products and services that offer the highest potential contributions to increasing tourism numbers, length of stay, and average visitor expenditure.

On March 11th, a meeting was held with AHA in Bethlehem to discuss several activities. These include: Additional capacity building for the association under Component B; Proposing an improved, more sustainable structure based on lessons learned for the classification system to be managed by AHA and HLITOA, with hotels receiving support through the firm level technical assistance program; and Introducing the firm level technical assistance program.

AHA submitted the last deliverable of the industry comprehensive report, which provides the major findings of cleaning, gaps, facility requirements, and needs, as well as a set of recommendations to be implemented at the aggregate level. This report should be used by the industry as a benchmark towards setting the cleaning standards.

Implementing Quality Standards – USAID/Compete has been supporting the Arab Hotel Association (AHA), the official representative of Palestinian hotels, in raising Palestinian hotel service standards. The AHA hired PalClean, a professional local Palestinian cleaning service provider, to educate members on a systematic approach to cleaning. PalClean initially assessed 12 Palestinian hotels, developed a cleaning manual to address local needs, and successfully delivered training on basic cleaning to the staff of eleven of the twelve hotels.

During January, the AHA grant for improving cleaning standards was modified. The industry comprehensive assessment report, the complete housekeeper training, and the supervisor's training were completed in March; Compete is awaiting final reports and other documentation.

Developing a Tourist Information System – USAID/Compete supports the growth of commercially viable, privately run, comprehensive visitor information systems in the West Bank.

Palestinian information systems are a critical component to attracting adventure tourists and cultural travelers and were previously primarily dependent on public or donor funding to operate. As a result, service is frequently interrupted due to funding cuts and information is rapidly outdated given the meagre operational budgets.

Visit Palestine

Visit Palestine, an online destination travel guide, was selected to be developed as a commercially viable resource to guide foreign and local visitors in Bethlehem and the Holy Land. Visit Palestine is expanding their resources for tourists by establishing a tourist information office (TIO) in the heart of the Bethlehem with staff speaking nine languages, redeveloping their website (www.VisitPalestine.ps in English, Arabic, Spanish, and Italian), and developing a mobile application to help visitors with special features such as planning, booking, maps, and city guides. The company is supported under a grant that will run through August 2015.

Visit Palestine highlighted progress in several areas during January to mid-February, including: establishing six new product lines and eight new suppliers to supply the gift shop; progressing the development of four video trailers targeting different tourist groups; increasing publicity by holding a book signing event; increasing the number of followers on the Visit Palestine Facebook page by 15% since opening; and hiring a Dublin-based, Palestinian-owned web marketing company to upgrade the website.

Impacts this Quarter Include:

- Visit Palestine hired 6 new employees, 3 of them are female youth.

Strengthening High Value-Added Products, Services, & Technologies

Rehabilitating Urban Sites – USAID/Compete is working with the Center of Cultural Heritage Preservation (CCHP) on urban rehabilitation efforts in and around Bethlehem, Bethany, and Burqin. The interventions are improving urban planning, zoning, and beautification to introduce new and improved Palestinian products and services for an enhanced tourist experience. The CCHP contract is scheduled to end on August 31st, 2015.

On January 13th, an official meeting was held at Bethlehem Municipality to evaluate the urban rehabilitation projects in Bethlehem area. Progress of each project was discussed, including challenges the projects are facing; Compete and Bethlehem Municipality developed guidelines for accelerating implementation and overcoming these obstacles. The meeting was attended by the mayor of the municipality, the Compete team, and CCHP team.

On February 4th, CCHP conducted a workshop in Burqin to present the first draft of Burqin's Conservation and Management Plan and a list of potential future interventions to be considered in the town. The event was attended by the Minister of Tourism and Antiquities, the Mayor of Burqin Municipality, Compete, CCHP, and key stakeholders, to ensure full support and understanding from all parties. The plan will be finalized during spring 2015.

On March 31st, a meeting was held with two representatives from MoTA to discuss the progress of the site renovation projects and potential future interventions. The following were agreed upon for future development: Compete will update MoTA regarding the site renovations on monthly basis and consult with MoTA on the concept design development phase and invite them in the bids openings.

King David Street, Bethlehem

The rehabilitation of King David Street aims to adjust the slope of the street to provide an alternative road way for tourist buses, provided by pick up and drop off areas, in addition to organizing vehicles flow, and reducing traffic in the star street, and maintaining it for pedestrians.

During February, the fifth Bethlehem intervention, King David Street, was completed, including an initial hand over to Bethlehem Municipality. The project adjusted the slope of the street to provide an alternative roadway for tourist buses and provided pick up and drop off areas. This will organize vehicle flow and reduce traffic on Star Street.



Completion of King David Street in Bethlehem.

Impacts this Quarter Include:

- King David Street renovations were completed.

Shepherd's Field, Beit Sahour

Shepherd's Field is considered one of the most important tourist sites in Bethlehem after the nativity church. The project intends to beautify the area by upgrading the street leading to the area, organizing flow of tourist buses by providing pick and drop off areas, sidewalk construction for visitors, greening and landscaping, in addition to street furnishing.

In January, concept designs for urban beautification around Shepherd's Field were completed in coordination with related stakeholders.

On March 11, a meeting was held with Beit Sahour Municipality to touch base on progress for the Shepard's Field rehabilitation design and discuss future potential rehabilitation interventions in the area. The meeting also covered the potential integration of Shepard's Field into future Christmas activities.

In March, final designs were prepared and tenders advertised in local newspapers for Shepherd's Field in Beit Sahour, near Bethlehem. The contract to begin works will be signed in April and the work is expected be concluded in July.

Bus Station Stairway, Bethlehem

The renovations of the Bus Station Stairway aims to improve walking trails Bethlehem, in addition to connecting main tourist attractions and organizing tourist flow transporting from the bus station to the manger square.

The works for the Bus Station Stairway were stopped in December by the municipality due to some concerns from residents in the area. The municipality resolved the issues and works restarted at the beginning of March. Works are expected to be completed in April.

Qattan Square, Bethlehem

The rehabilitation of Qattan Square aims to provide local and international tourists with rest areas in the middle of the historic town, adjacent to Star Street.

In March, CCHP signed a contract with Al Shaheq for General Contracting to construct a public garden in Bethlehem as part of the rehabilitation of Qattan Square, aiming to provide tourists with rest areas in the middle of the historic town. A 380 m² abandoned site near Star Street will be turned into a green area with landscaping, furnishings, and lighting. Rehabilitations began thereafter and are expected to be completed in May.

Historic Center, Bethany

The rehabilitation of Bethany's Historic Center aims to improve visitors' experiences by enhancing walking trails in the old town of Bethany, improving the entrances and itineraries, and providing the old town with all the exciting elements that will encourage visitors to spend more time (half a day) in the site. Works will include urban rehabilitation and beautification works; civil works, tiling, landscaping, lighting fixtures, and street furniture.



Completion of Bethany's historic center.

During February, the urban rehabilitation and beautification at Bethany's Historic Center was completed, including an initial hand over to the Bethany Municipal Council.

Impacts this Quarter Include:

- The Bethany Historic Center renovations were completed.

Historic Center, Battir

The renovations of Battir Village, designated a World Heritage Site by UNESCO in 2014, aims to improve visitors experience by enhancing walking trails in the old core of Battir. Works will include urban rehabilitation and beautification works; civil works, sidewalk construction, landscaping, lighting fixtures, and street furniture. Rehabilitations include a restaurant located in a public park in bad physical conditions under a public-private partnership framework. This rehabilitation will provide tourists with a public space (to be leased to the private sector) for rest and food and improve the roadway leading to the park.

In March, final designs were prepared and tenders advertised in local newspapers and preparations for environmental assessments began. A site visit was conducted to Battir park restaurant and roadway to check all needed environmental mitigation measures and finalize the monitoring plans before implementation stage.

The contract to begin rehabilitation and restaurant works is expected to be signed in May. The work is expected to be completed by August.

Public Toilets, Bethlehem

In 2014, USAID/Compete supported the renovations public toilets located in Manger Square in Bethlehem. The finished site now provides healthy, environmentally friendly, and properly ventilated sanitary units for local and international tourists.

Impacts this Quarter Include:

- 1 new worker was hired.

Upgrading Commercial Tourism Infrastructure – USAID/Compete is aiding in the expansion and improvement of tourist infrastructure at key sites throughout the West Bank. Buildings are selected based on accessibility and physical charisma, as to provide unique visitor experiences combined with improved tourist resources. The project will also work more closely with the private sector to commercialize tourist infrastructure, attracting private investments that could bring priority destinations to the next level.

Parking Lot on Star Street, Bethlehem/Shepherd's Field

This project was aiming to provide commercial parking, since the street lacks such tourist infrastructure and services that are urgently needed. During the first quarter, the design went through several iterations in attempt to meet either local or international parking standards. As of February, the project was deemed unfeasible. Compete ceased all efforts on this project as a result. It will be replaced by the Shepherd's Field Bus Parking project in the CCHP contract, which will complement the rehabilitation of Shepherd's Field Area project in Beit Sahour. It will help organize the traffic in that area by providing tourist buses with an alternative parking area instead of the main streets. In February and March, the final designs and environmental assessments were completed and tenders advertised in local newspapers. Work is expected to begin in April and concluded in July.

Hosh Abu Jarour

The renovation of Hosh Abu Jarour, a traditional building located on Star Street in central Bethlehem, was completed during November, marking the third completed intervention in the city under the CCHP contract. The renovated building will serve as a visitor information center and house the first Icon School in the West Bank.

Impacts this Quarter Include:

- 1 new worker was hired at Hosh Abu Jarour

Jarrar Palace, Burqin

The renovations at Jarrar Palace aim to rehabilitate a traditional building in order to revitalize the historic town of Burqin. The renovated building will offer visitors services and attractions in the historic buildings, including rest areas and a restaurant. Renovations began in October,

On March 24th, a field visit was held with USAID and the governor Jenin at Jarrar Palace near Burqin to confirm the status of ongoing projects and discuss potential future interventions. As of March, 40% of the works were completed: renovations are expected to be completed by June.

Bethlehem Gallery

The renovation of Bethlehem Gallery aims to rehabilitate and furnish the Arab Women Union building to operate as a gift shop, gallery, and restaurant. The project aims to provide tourists with attractions and services in Bethlehem in addition to visiting the Nativity Church, extending their length of stay and expenditures.

On February 28th, an official inauguration for Bethlehem Gallery took place. The AWU and HCEF also contributed to furnishing a museum in the building as a complementary element for the whole project. The event was attended by the Ministry of Tourism and Antiquities (MoTA), Bethlehem Municipality, the Arab Women Union (AWU), Holy Land Christian Ecumenical Foundation (HCEF), local media, and local associations.

In March, a site visit was conducted to Bethlehem Gallery to meet with HCEF team, who will operate and manage the gallery, to discuss action plan and set a time frame for substantial operation.

All construction and rehabilitation works are completed; all equipment and furniture are delivered and installed in place.

Bethany Museum

The project aims to develop and furnish a museum for the Ministry of Tourism & Antiquities (MoTA) in the old town of Bethany, in order to provide the thousands of visitors with more attractions when visiting Eleazar tomb.

In March, final designs were prepared and tenders advertised in local newspapers.

Developing Innovative Interpretation – USAID/Compete is supporting the development of products to improve tourist mobility in the West Bank. Interpretation panels, one such intervention, enhance tourist experiences by highlighting important historical and cultural information at key sites. In December, USAID/Compete and CCHP representatives evaluated site conditions for proposed interpretation panels, selected 27 sites in Burqin and Bethlehem.

In December, Compete advertised a request for proposals (RFP) for the design and installation of the panels. Several proposals were received; however, the Bethlehem Municipality requested changes to the design, resulting in the issuance of a new RFP in January. No proposals were received the second time. The RFP then was reissued in March; three proposals were received. They will be evaluated and awarded in April.

Developing New Products and Services – USAID/Compete is focusing on priority destinations and a need to develop additional activities and services to attract visitors. A pilot program is being implemented to explore the market potential and institutional feasibility of strengthening products and services for the adventure, cultural and experiential tourism markets.

Outdoor Rock Climbing

Outdoor rock climbing has been introduced to diversify sites and activities available to tourists interested in rural and outdoor activities in the West Bank. Independent consultants are working to identify, map, operationalize, and market the sector near the towns of Yabrud and Ein Qiniya.

In January, Compete rock climbing consultants provided the operations and marketing plan, routes inspection, trip feedback, and a map showing the directions, access, and specific climbing routes on the cliffs.

In February, the consultants completed the final report which includes the technical, institutional, and financial requirements for scaling up this activity to turn it into a viable and profitable business venture. The activity is proving successful and continuing without Compete support.

Samara Tours

In 2014, USAID/Compete supported Samara Tours in adding important sections to their initial tourism toolkit, including guides for additional marketing activities that can be used by other stakeholders interested in offering joint tours and entering new markets.

Impacts this Quarter Include:

- Samara Tours increased sales by US \$40,387.

Fostering Strategies to Improve Human Resources and Services

Establishing Vocational Training – USAID/Compete is leading an effort to raise the standards of service in the hospitality and tourism industry throughout the Palestinian Territories. Bethlehem

University (BU) has engaged with this initiative and has committed to significantly altering its mandate by introducing vocational training within the University and beyond to meet the industry requirements for front-line staff training across all sectors within the industry.

Vocational Curricula at Bethlehem University

In December, BU launched 25 training modules developed through a USAID/Compete grant. The modules target front-line staff, covering five clusters: Front Office Management, Food Safety and Sanitation, Food & Beverage, Culinary Arts, and Communications. To meet industry requirements, this initiative focuses on specific pedagogy and curriculum development built around specific training needs. This will fill an education and labor gap and contribute to an increased number of Palestinians employed in the tourism sector.

On March 26th, Compete attended a workshop held by PMDP, the DFID-funded private sector development project, which presented the findings of the rapid market study analysis of quality of front line workers in the tourism sector. PMDP's findings confirmed the need of improving the quality in the hospitality industry, especially the front line services. The findings also highlighted future needs that could be addressed under Compete's the firm level technical assistance program.

In March, BU completed the concept designs for the Mount David location development. BU also completed the training of trainers manual and produced an associated pedagogic video. This concluded all activities included under the BU vocational training grant.

Lessons Learned

Regarding the selection of outdoor rock climbing sites, the sites in both Yabrud and Ein Qiniya are conveniently located; however, they are both south facing. This will make climbing during the summer hot and uncomfortable. When seeking new locations in the next phase, the consultants will pursue sites to provide a shady summer climbing location.

Regarding the Bethlehem 5k Run, it is important to better coordinate with the municipality and the police to ensure proper traffic control. With improved diversion routes, congestion would be eased and safety improved for participants and drivers.

Regarding site renovations, there have been some comments on the aesthetics of selected materials used, causing changes and delays. In the future, Compete may include such comments at an earlier phase in the project to accommodate such concerns.

Planned Programs for the Following Quarter

- Launch the firm level technical assistance program.
- Continue the hotel classification system.
- Launch renovations of Battir Restaurant.
- Launch rehabilitation of Battir Park Road.
- Launch renovations for Bethany Museum.
- Launch renovations for Shepherd's Field tourist bus parking lot.
- Begin suggested hospitality school interventions if the business plan is deemed feasible.

ICT

Enhancing Market Access

Firm Level Technical Assistance – USAID/Compete is designing a new initiative to provide technical assistance to exporting and non-exporting firms in the ICT sector to increase financial, management, and marketing capacity. Firms which previously received Compete support are automatically eligible to receive assistance under this initiative; all others must apply. All firms then undergo an assessment and once selected, will receive targeted support under three components: technical assistance, provision of equipment and inputs, and workforce development.

In January and February, the Compete ICT team identified six small software companies and began meeting with them to assess their needs and gaps. The selected companies are intended to receive funding under this initiative.

SAP Market Development Initiative

SAP Software Technology (SAP), headquartered in Germany with regional offices in 130 countries, is a multinational software corporation that makes enterprise software to manage business operations and customer relations. The company is hurting from shortage of certified engineers who can provide services for their global and regional customers, opening a window of opportunity for Palestinian software firms to fill the gap. This new initiative involves qualifying software companies to provide SAP solutions, training fresh graduates on SAP technologies, and facilitate international projects for Palestinian companies.

- On April 28th, USAID/Compete held a meeting with Marita Mitschein, the Senior VP of SAP, to discuss introducing this initiative.

Export Market Assessment – USAID is supporting ICT companies to scale up their current exporting activities by assessing ten companies and providing them with export market development plans. The assessment will identify current gaps in exporting companies which hinder export development and create an export management structure to ease the exporting process for ICT companies.

In early March, the assessment was announced through PITA's member list and other social media channels; a total of 21 applications were received. Compete and PITA together developed selection criteria to select participating companies and 12 applicants met the criteria. The consultant arrived on March 30th and began holding interviews with the selected companies to gather data for the assessment; everything related to this intervention will be completed by the end of April.



Jaffa.Net receiving the Mobility Innovation Award.

Promoting Multinational Partnerships – USAID/Compete supports the establishment of multinational partnerships with Palestinian companies to increase exports and market access. In addition, this initiative promotes professionally trained human resources.

Jaffa Net

Under this initiative, USAID supported Jaffa Net Company to develop the Head-UP Application that helps users to manage his or her online time by blocking certain applications (such as Facebook, Whatsapp, etc.) during certain timeframes chosen by the user. Head-UP Tribe is the startup company which Jaffa Net supports as the developing and technology partner.

Impacts this Quarter Include:

- Jaffa Net generated sales with a value of US \$105,464.
- 8 new jobs were created between Jaffa Net and HeadUP Tribe; two are female and four are youth; both females are youth.
- Jaffa Net completed a mobile application to increase the productivity of individuals and workers for Israeli-Palestinian startup HeadUP.
- Jaffa Net signed a new contract to develop a mobile billing application for water utility companies working in the Aker area of Israel.
- In February, Jaffa.net won the 2015 Mobility Innovation Award for the MENA region. The ceremony was held by Oracle in Dubai, and attended by more than 300 companies from the region.

Proengineer

From August 2014 through February 2015, USAID/Compete provided technical assistance to Proengineer, a Palestinian software solutions company, to develop and expand their resources.

In February, Proengineer, after hiring two employees for the pilot, began implementing projects for an Israeli subsidiary through Thompson Reuters on a long term contract basis. The company is gaining more experience in delivering high caliber projects; however, lack of qualified local resources in the natural language processing (NLP) field is a challenge the company is trying to solve with training. This presents another opportunity to create talented resources demanded by international markets.

Impacts this Quarter Include:

- Proengineer generated sales with a value of US \$62,250.
- 1 job was created.

Al-Tariq Systems

In 2013, USAID/Compete supported Al-Tariq Systems to develop tailored software systems for clients in Gulf countries, allowing them to increase their international presence.

On March 9th, Compete signed a grant with Al-Tariq Systems to further facilitate market penetration to two new markets: Poland and Norway. Al-Tariq will build new software packages to be sold in these markets and is using a partnership model with local software solution companies in these countries. The grant is scheduled to run through October 2015.

Impacts this Quarter Include:

- Al-Tariq generated sales exports with a value of US \$39,000.
- Accessed 2 markets: Poland and Norway.
- 4 new jobs were created; all were youth.

iConnect

In 2013, USAID/Compete facilitated iConnect, a Palestinian software company specializing in outsourcing and consulting, in developing two partnerships with international companies working in healthcare and retail e-commerce.

Impacts this Quarter Include:

- iConnect generated sales with a value of US \$116,762.
- 3 new jobs were created; two of them are female and all of them are youth.

H+W Mena

With USAID/Compete assistance, H+W Mena began development of a HIS Healthcare System for Gulf countries. To support the development of the system, the company selected 20 interns and 5 professional developers last quarter to begin specialized training and initiate development of the Medical Practice Management Software System, which will manage hospital-wide operations for the Gulf countries' market.

Impacts this Quarter Include:

- H+W Mena generated sales with a value of US \$44,000.
- 5 jobs were created; four are female and all of them are youth.

Introducing Export Managers – USAID/Compete supports the hiring of export managers to assist and enhance companies' abilities in reaching international markets.

AI-Andalus Software and Information Technology

During fiscal year three, USAID/Compete supported AI-Andalus Software and Information Technology firm (ASD) to hire an export manager for the Saudi Arabian market to increase ASD's regional export sales and develop into a regional software development company.

Impacts this Quarter Include:

- ASD generated sales with a value of US \$22,819.
- 2 contracts were signed within Saudi Arabia and Iraq.
- 3 new jobs were created; one is female and two are youth.

Fostering Strategies to Improve Human Resources and Services

Developing New Sector Services – USAID/Compete is developing new value chains in the market capacity to introduce services and tap the highly-skilled ICT workforce within the Palestinian software sector.

Gaming and Animation

Gaming and animation, a US \$170 billion global industry with an annual projected growth rate of 10%, offers strong potential for Palestinian professionals to enter in the previously untapped industry.

On February 18th, a kick off meeting was held with the animation industry in the West Bank. The purpose of the meeting was to identify sector impediments and how they are prioritized, including the best way to develop the talent pool, important markets to expand into, industry business models, a representative entity, and university relationships. Ten individuals from eight companies attended the meeting.

Following the kick off meeting with animation companies, eight companies met internally to further the initiative. They agreed to sign an MOU to create an Animation Task Force and provide further information on their vision to further develop the sector.

On March 17th, an MOU was signed between seven animation companies to create the Animation Task Force. The task force will create an aggregate set of needs that prevent the sector from growing for USAID and other donors to reference. Compete is following the task force to plan for future programming and offer firm level technical assistance for companies.

On March 24th, a meeting was conducted with the Korean International Development Agency (KOICA) to discuss potential cooperation between KOICA and DAI/USAID for the animation industry. Both parties agreed to share information. KOICA will do a quick assessment on Korean companies' needs in the MENA region. Compete will develop a possible structure for an MOU.

On March 31st, a meeting was held with representatives from Goethe Institute to assess possible interventions: The Goethe Institute is working on a capacity workshop focusing on game design and an associate competition. Compete intends to collaborate with the institute on related events in support of developing the gaming and animation sector.

Impacts this Quarter Include:

- Creation of a Gaming and Animation task force.

eGovernment to Improve Business Services

USAID/Compete seeks to improve “eGov” services to reduce the burden of operational necessities, such as registrations, for Palestinian companies. Currently, the government relies largely on separate IT systems and manual operations, lagging behind most of the world using quicker technology-based systems. In partnership with the Palestinian IT Association (PITA), Compete seeks to develop e-services and encourage policy changes to improve these resources for Palestinian companies and citizens, leaving more time to focus on growth. An assessment and business analysis, scheduled to begin in April, will be performed for ten e-services to determine the best business model.

On March 11th, a meeting was held with the Office of the Quartet Representative (OQR) to discuss the current progress with the eGov activity. The meeting also involved a discussion on the potential for helping Palestinian companies to obtain certifications on SAP Software Technology. SAP, headquartered in Germany with regional offices in 130 countries, is a multinational software corporation that makes enterprise software to manage business operations and customer relations. The company is hurting from shortage of certified engineers who can provide services for their global and regional customers, opening a window of opportunity for Palestinian software firms to fill the gap.

Association Capacity Enhancement – As part of its mandate, USAID/Compete will support and enhance sector associations in the market. The project will help the Palestinian IT Association (PITA) to create and maintain mechanisms that provide new services to members and new insights for accessing new markets.

Component B – PITA

PITA is a Palestinian-based organization that represents the ICT industry in the West Bank and Gaza. The association has around 150 members and provides export promotion, capacity building, and advocacy services for the sector. USAID/Compete supports PITA by providing technical assistance to improve their services to their members.

PITA is supporting the improvement of local networking events to strengthen the Palestinian ICT sector. In particular, Expotech, the biggest national technology event held annually in the West Bank and Gaza, is always attended by local and international figures and draws thousands of participants. Under this initiative, USAID/Compete is working PITA to facilitate the 12th Expotech Technology Week, scheduled to take place in September 2015.

During the week of February 1st through 6th, PITA attended the 10th GSMA Ministerial Programme in Barcelona to seek potential speakers and exhibitors for Expotech 2015. 10 people and businesses expressed interest in participating, which PITA will continue to follow up with during the planning process.

On February 25th, Compete signed a grant with PITA to support their participation at Mobile World Congress. The goal is for PITA to identify and invite relevant international speakers and exhibitors for Expotech 2015.

Acceleration Activities – USAID is promoting access to finance in the ICT sector by supporting acceleration activities for startups in the West Bank.

Fast Forward

Leaders Organization, a Ramallah-based non-profit, was supported with a grant under this initiative to establish FastForward, an accelerator providing seed funding, mentorship, technological resources, and training. The grant concluded in December 2014, however, the organization continues to provide acceleration programs.

During February, FastForward announced call for applications for the 4th acceleration round for Palestinian entrepreneurs who are seeking to transform their ideas into viable businesses.

eZone

In 2014, USAID/Compete supported the development of a new accelerator, eZone, by providing mentorship, consultancies, and short term employment for startups. USAID's support of eZone has enabled an environment to attract foreign companies to open offices in West Bank. Harri.com, a New York-based startup that offers hospitality solutions, began with one employee at eZone in November 2013.

As of January, Harri.com expanded back office operations hosted at eZone in Ramallah to 15 engineers. They also plan to engage in a new, train-to-hire program, which will quickly raise the number of engineers to 60.

Impacts this Quarter Include:

- 36 jobs were created at the startups at eZone; 13 of them are female and 30 are youth.
 - 22 of these jobs were hired by Harri.com.

Supporting Enablers and Service Providers to Address Impediments

Creating a Technical Transfer Company – USAID is bridging a gap between academia and the private ICT sector through the establishment of a new tech transfer company. Despite the natural connection between industry's demand for solutions and academia's ability to provide R&D support, Palestinian universities and the private sector do not have a collaborative dynamic. Both universities and the private sector use R&D to generate new solutions to market problems, increase industry performance, and add value to the market through supporting the introduction of new products.

Component B – Ibdaa

Ibdaa is a technical transfer company (TTC) which facilitates projects between the private sector and academia through joint teams made up of students, university professors, and private sector individuals. These teams work on market problems to develop solutions that can be commercialized. The anticipated result is the creation of startups, as well as the far more intangible potential result that the quality of graduates will increase, solving a major impediment for ICT sector scale up.

On January 4th, USAID/Compete signed a grant with Ibdaa to officially start the program. Ibdaa will focus on producing the first round of ideas with four universities and begin preparation for future rounds. The grant is expected to run through December.

Lessons Learned

USAID/Compete has continually supported unique programs that generated significant employment opportunities for male and female youth, including startup acceleration and internship programs. As the market develops and trends change, the project needs to adapt with new interventions that can cope with changes in technology and the market status.

The kick-off meeting for gaming and animation companies in held mid-February marked the first time that this subsector received support. The result of the preliminary needs assessment meeting gave deep insight on how these companies work. Furthermore, having companies meet for the first time and discuss industry issues was especially effective for companies established within the last three years. This initiative will help the sector decide on a path to develop and grow and make it easier for donors to coordinate assistance.

Planned Programs for the Following Quarter

- Launch the firm level technical assistance program.
- Launch a customized gaming and animation program, if feasible, based on the assessment results.
- Sign an MOU with PITA regarding areas of cooperation.
- Launch acceleration activities.
- Sign the final grant with Ibdaa to fund Ibdaa's activities and provide seed funding.

STONE AND MARBLE

Enhancing Market Access

Networking Events – USAID/Compete is supporting Palestinian market exposure, access to finance, and development of new value-added products by planning and attending networking events with beneficiaries and other industry supporters. Doing so ensures support of the industry is unified and accurately addresses company needs.

Due to Compete's support for women in the industry, Mr. Hanna Rabah, the Compete Stone & marble Sector Lead, was chosen to participate in January on a panel to select local companies to attend the Bahrain Competition for Women Businesses and Producers. The information showcased at the event reaffirmed the need for Compete's related intervention. Compete also met with a representative from the Ministry of Women's Affairs to learn about other initiatives and projects by women that could be included under future initiatives.

On January 28th, Compete attended Italy Day at the Polytechnic University in Hebron to network with other industry sponsors and unify the approach to development in the industry.

On January 29th, Compete attended a networking event at the Nablus Chamber of Commerce which discussed supporting creative industries.

On February 10th, Compete attended the Bethlehem Chamber of Commerce Handicrafts Cluster presentation conducted by UNIDO focusing on Bethlehem Treasures, which represents more than eight handicraft producers. The producers offer a variety of products including embroidery, ceramics, jewelry, and traditional clothes made from diverse mediums, including mother of pearl, olive wood, clay, glass, and metal. A brief meeting was also held with UNIDO sponsors, a QUARTET representative, a Ministry of National Economy representative, and producers to discuss progress and potential engagement. Further meetings will be conducted to assess how Compete could support the subsectors.

Firm Level Technical Assistance – USAID/Compete is designing a new initiative to provide technical assistance to exporting and non-exporting firms in the stone and marble sector to increase financial, management, and marketing capacity. Firms which previously received Compete support are automatically eligible to receive assistance under this initiative; all others must apply. All firms then undergo an assessment and once selected, will receive targeted support under three components: technical assistance, provision of equipment and inputs, and workforce development.

On March 17th, preliminary assessments were conducted for three previous Compete beneficiaries; all three companies are good candidates for the new initiative. Al-Waleed for Cutting Stone & Marble Company is in need of management and business support. Next Step for Trade and Investment is looking to develop new sludge products. New Dreams for Marble & Stone needs assistance in workforce development and quality control support export potential.

Stone & Marble Trade Shows – USAID supports the Palestinian stone & marble sector's participation in international trade shows as exhibitors to showcase the range of unique products the West Bank has to offer and as walkers to learn about industry demands.

On January 14th, a meeting was held with four beneficiaries to follow-up on growth and market progress since participating in various trade shows. Sukhour Al-Quds and Verona Company participated in the Marmamocc show in Italy during September 2014 and Al-Anan for Stone Company and Sharabati Modern Company participated in 2013. All four also attended the Dubai Big 5 show in November 2014 without USAID support.

Middle East Trade Show

Currently, Compete is working with Paltrade and the Union of Stone and Marble to assist eight companies with unique value-added products to participate in the first annual Middle East Trade Show, scheduled to take place in May. It will be the first show held in Dubai to specifically highlight the stone and marble sector. It will also have a specific interior design hall, allowing Palestinian companies to open new opportunities in niche markets.

On February 26th, Compete met with a Paltrade representative and one participating company, Yaboos Stone Company, to follow up on progress in planning for the trade show. Compete is advising the company on developing a unique



Handicrafts showcased at the Bethlehem Treasures cluster presentation.

product portfolio targeting the gulf market and booth ideas to draw potential clients at the show. Compete also identified possible interventions to address strategic gaps hindering the progress of Yaboos Company, which will be addressed under the new firm level technical assistance program.

On March 9th, a Middle East Trade Show workshop took place in Bethlehem. It was attended by Jerusalem Stone Group, Yaboos Old Stone Industrial Trading Company, Fonoun Company for Carved Stone and Marble, Halaika Company for Investment, H.L. Jerusalem Stone and Marble Company, USM, and PalTrade. The workshop discussed product display, branding, products to highlight, booth design, and product positioning to attract buyers. Compete also shared more information regarding the firm level technical program and followed up with some of the participating companies to complete their company profile.

Verona Marble and Industrial Investments Company

Verona participated at Marmomacc 2012, Victoria 2013, Marmomacc 2013, Big 5 2013, Coverings 2014, and Marmomacc 2014 with USAID/Compete support. Verona also attended the Dubai Big 5 show in 2014 without USAID support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in these tradeshow.

Impacts this Quarter Include:

- US \$542,600 in export revenues from connections made at all Marmomacc shows, Victoria 2013, and Coverings 2014.

Al Anan Stone & Marble Company

Al Anan participated at Big 5 2013 and Marmomacc 2013 USAID/Compete support. Al Anan also attended the Dubai Big 5 show in 2014 without USAID support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in these tradeshow.

Impacts this Quarter Include:

- US \$50,000 in export revenues of from connections made at Big 5 2013.
- 5 jobs were created at Al Anan; all new employees are youth.

Al Waleed for Cutting Stone and Marble Company

Al Waleed participated at Marmomacc 2012 and Big 5 2013 with USAID/Compete support. Al Waleed also attended the Dubai Big 5 show in 2014 without USAID support. Company representatives reported the following impacts during the second quarter of FY2015 from participation in these tradeshow.

Impacts this Quarter Include:

- US \$45,131 in export revenues from connections made at Marmomacc 2012 and the Big 5 shows.
- Al Waleed accessed the Saudi Arabian market.
- 1 female employee was hired at Al Waleed.

Al Omraniyeh Group Company

Al Omraniyeh exhibited products at Marmomacc 2013, Big 5 2013, and Coverings 2014 with USAID/Compete support.

On March 11th, a meeting was held with Al Omraniyeh Company to follow up on results from the trade shows and progress in expanding into new markets. Compete also introduced the company to the firm level technical assistance program. The specific needs of the firm were further discussed in

this context as part of an assessment to gain insight on the program's ability to respond to sector needs.

Company representatives reported the following impacts during the second quarter of FY2015 from participation in these tradeshows.

Impacts this Quarter Include:

- US \$394,031 in export revenues from connections made at Big 5 2013 and Coverings 2014.
- 3 jobs were created at Al Omraniyeh; 1 is female and all are youth.

Component B – USM

The Union of Stone and Marble (USM), the national industry representative, offers services related to trade, exports, standards, capacity building and education for members. In particular, USM is creating a marketing department to implement activities that will heighten international awareness of Palestinian stone companies and provide tailored services to build marketing capacity at the factory level, enabling companies to reach global markets. USAID contributes technical assistance and periodic funding to help expand their spectrum of services, empowering them to better assist beneficiaries and tackle industry issues.

On January 12th, a meeting was held with USM to follow-up on progress.

On February 4th, a meeting was held with USM to discuss progress made on the new service unit and to brainstorm potential activities to support a firm-level technical assistance program which will work directly with companies to leverage their capacity.

On March 11th, Compete met at the USM headquarters to discuss possible programs or intervention to build the capacity of the Union and introduce the new firm level technical assistance program. A future workshop will take place at the USM with possible beneficiaries in the next couple of weeks to discuss the firm level program and receive feedback.

Component B – Paltrade

USAID/Compete supports Paltrade, the official Palestinian export agency, in expanding the export horizons for stone and marble businesses. In particular, Paltrade assists with coordinating trade show participation and providing market information useful to the industry.

On January 6th, a meeting was held with Paltrade to follow up on two stone and marble events. Regarding the networking event held in Dubai in November 2014, Paltrade confirmed beneficiary participation and follow-up communications. Paltrade and USAID/Compete also brainstormed new ideas for similar events in the future, such as providing measures to promote better business matching. In addition, Paltrade confirmed preparation progress for companies scheduled to participate in The Middle East Trade Show, scheduled to take place in May.

Promoting Value-Added Products – USAID is targeting firms in the stone and decorative/handicrafts subsectors to develop new value-added products. This new initiative seeks to develop desirable products to increase the visibility of the subsectors both locally and internationally.

Fonoun Company for Carved Stone and Marble

USAID/Compete is assisting the development of new value-added products by assimilating skilled women with an exceptional eye for design into the sector. Under this initiative, Compete supports Fonoun Company for Carved Stone and Marble, the first company in the Palestinian territories and the MENA region to break with tradition and create managerial positions for women, with a cost-

share grant to hire three female staff and develop new and creative stone products. The grant runs through August 2015.

On January 12th, a meeting was held with Fonoun to follow-up on progress in hiring additional staff and procuring necessary investments.

On March 22nd, a meeting was held with Fonoun to evaluate progress in hiring new staff and obtaining quotes on equipment. They selected and hired a female candidate for the Senior Marketing Manager. They also requested a scanner machine instead of the machine software previously requested; Compete staff approved this change; Fonoun will obtain three price quotes. All parties also discussed future needs of the company that could be supported under grant modifications or the firm level technical assistance program.

Impacts this Quarter Include:

- 1 job was created at Fonoun; a woman.

Assisting Stone & Handicrafts Producers

Under this initiative, Compete is seeking a consultant specializing in design to cultivate two sectors: the decorative stone sector, including stone sculptures, cladding, mosaics, etc., and the decorative handicraft sector, focusing on traditional ceramics, clay, and olive wood carvings.

In early March, the Compete stone and marble team prepared an initial Scope of Work (SOW) and conducted a skype call with a potential designer. The SOW focuses on penetrating the US market, including expediting exports, networking with buyers, assessing firms, identifying supply/demand, and supporting gaps.

On March 23rd, a call was held with a potential design consultant to further develop a scope of work. Compete will target stone and handicraft firms with the greatest potential to benefit from this initiative. A final SOW for USAID approval in the third quarter; the consultant is expected to begin work in June.

Strengthening High Value-Added Products, Services, & Technologies

Sludge New Products and Facilities – USAID is encouraging creative solutions to environmental issues in the West Bank by generating uses for sludge waste in the stone and marble sector. Three investors, Al-Aqsa Company, Creative Business Solutions, and Abu Kamil Automatic Block, are developing feasibility studies and business plans for new sludge products with USAID/Compete cost-sharing and technical support.

On February 4th, USAID/Compete conducted a field visit to Hebron to meet with ZmZm Company, the largest Palestinian plastic producing company, to discuss the use of stone waste to develop calcium carbonate (CaCO₃) filler, an essential input for the plastic production process.

On February 18th, a meeting was held with Expo Works+, one of the consultants that worked with potential investors to prepare the Sludge Full Feasibility Study. The purpose was to review the technical and financial information and progress towards submitting final feasibility study.

On February 24th, a meeting was held at Abu Kamil Automatic Block Factory to examine current operations, expansion ideas and plans, and investment in a sludge processing factory to produce light weight blocks.

On March 26th, the Compete stone & marble lead attended a workshop entitled “Supporting Industrial Pollution Abatement in Palestine - Stone and Marble Industry.” The purpose of the

workshop was to inform donors of sector needs based on a study of 20 stone sector firms. The study was implemented by Ricardo, a UK-based consultancy, the Ministry of National Economy, and the Environment Quality Authority, and was funded by the World Bank and the Global Environment Facility. In addition to sludge new products, the workshop emphasized minimizing water and electricity usage, equipment upgrades, and environmental management systems.

All new sludge business plans are expected to be completed and presented during the third quarter.

Lessons Learned

While planning for the Middle East Trade Show with USM and PalTrade, two beneficiaries that were previously selected and vetted later decided to not participate in the show due to financial and owner disagreement issues. To avoid this when planning for trade shows in the future, the industry representative, service provider, or official trade center (PalTrade) should sign agreements with the selected beneficiaries before the proposal is submitted for the show. The agreement will ensure that the beneficiaries understand and agree to the logistics, details, vetting, and cost share. This will avoid much lost time, as trade shows often take a year or more to plan, book, and prepare for.

In upcoming months, Compete will be focusing on reviewing the sludge new product business plans, conducting field visits, preparing for presentations, meeting with investors, and identifying new investor ideas. This will aid in understanding the sector's needs to better design new interventions.

After participating at the environmental stone workshop and conducting progress meetings with beneficiaries, it became clear that the stone sector should be assessed at both firm and program levels. Certain sector-wide programs may be needed to benefit stone producers; however, increasing beneficiaries' international market competitiveness will require specific interventions tailored to their needs.

Planned Programs for the Following Quarter

- Launch the firm level technical assistance program.
- Sign contract with the handicrafts consultant.
- Begin designing sludge/slurry processing facilities.

ALL SECTORS

Private Sector Investment Leveraged – Since the beginning of the Compete Project, the M&E team has captured the value of capital investments from our partners leveraged as a cost share from project activities. In the first quarter of the fourth year of the project, the private sector has invested US \$5,506,090 with the following sector contributions:

Agriculture: US \$711,623

Tourism: US \$2,363,903 (result of the Adoption Hotel Classification System)

ICT: US \$2,345,892

Stone & Marble: US \$911,817

It is worth mentioning that in the case of service companies, and in particular outsourcing companies, these companies invest in talent and skills in order to make each employee a "production unit" or a revenue generating unit. The value of these companies stem from the overall knowledge and experience the company gains from developing these resources. Intangible assets are hard to

estimate; the private sector investment leveraged under the ICT sector includes employees in mergers and acquisitions as well as employee value added per company. The formula in this regard is to multiply new jobs created under the ICT sector by US \$40,000.

GENDER & YOUTH

USAID/Compete works across the Agribusiness, Tourism, ICT, and Stone & Marble sectors to find opportunities to encourage gender equality and support youth innovation¹. The following section highlights project activities this month with a youth and gender impact.

In January, the Agribusiness sector team held four trainings:

- On January 14th, 2015, the strawberry farmers' management training was attended by 28 people. None were female and four were youth.
- On January 17th, 2015, the cooling room training for Al Buqea farm and Al Fara farm was attended by five people. None were female and four were youth.
- On January 28th, 2015, the cooling room training for Top Field Company was attended by six people. None were female and three were youth.
- On January 28th, 2015, the asparagus planting training was attended by 21 people. None were female and 17 were youth.

In February, the Agribusiness sector team held three trainings:

- On February 10th, 2015, the cooling room training for Nussiebeh Farms was attended by five people. None were female and one was a youth.
- On February 18th, 2015, the cooling room training for Al Forat was attended by two people. None were female and both were youth.
- On February 18th, 2015, the machine training for Al Aqaba was attended by four people. Three were female, all three of which were youth.

In March, the Stone & Marble sector team held a workshop:

- On March 9th, 2015, the Middle East Tradeshow workshop was attended by nine people. Three were female and two were youth; both youth were female.

GENDER STRATEGY IMPLEMENTATION

In November 2013, USAID/Compete produced a Gender Strategy aimed at promoting gender equality and participation among women in the Palestinian Territories. The USAID/Compete Gender Strategy rests on four pillars:

- Pillar #1: Promote the success of women in business in the Palestinian Territories, especially those operating within USAID/Compete sectors.
- Pillar #2: Identify new entry points for women within the Project's four value chains.
- Pillar #3: Encourage private sector support for the economic participation of women through financial and technical cost share models and incentives.
- Pillar #4: Expand efforts to increase the full participation of women in training and capacity building programs.

¹ Defined by USAID as aged 14 to 29

This section describes the gender strategy activities within these pillars that took place throughout the month.

Supporting pillars 1, 2, and 3, the Stone & Marble sector has been working with Fonoun Company for Carved Stone and Marble in Bethlehem to break gender barriers and create managerial positions for women – the first stone and marble company in the Palestinian territories and the MENA region to do so. Fonoun now employs professionally skilled females in their workforce including a marketing manager, a designer, a mechanical engineer, and an AutoCAD engineer, all of whom are responsible for developing new and creative stone products. The marketing manager has previous stone experience in Oman and Bethlehem working with stone companies on their marketing outreach and office management.

Working through pillars 1 and 3, the Compete agribusiness team is continuing to work with the Al Aqaba Rural Women's Cooperative in the Jordan Valley. In October, USAID/Compete signed a grant with Josour Co. for Investment & Agricultural Marketing to package and market Al Aqaba's products to improve their marketability. During February, the cooperative successfully completed the installation of the herbs filling/packaging machine and the wrapping machine, as well as the training necessary to operate the machines appropriately.

Upholding pillars 1 and 2, Mr. Hanna Rabah, Compete Stone & Marble Sector Lead, was chosen to participate in January on a panel to select local companies to attend the Bahrain Competition for Women Businesses and Producers. The information showcased at the event reaffirmed the need for Compete's support of women in the Stone & Marble sector. Compete also met with a representative from the Ministry of Women Affairs to learn about other initiatives and projects by women that could be included under future initiatives.

MONITORING AND EVALUATION

Monitoring progress and evaluating results are key management functions that enable the team to capture performance data that plays a critical role in planning and management decisions. M&E is an on-going process that allows managers to determine whether or not an activity is making progress towards its intended results.

METHODOLOGY

The USAID Compete Project's M&E team conducted a series of field visits and interviews across the West Bank to collect systematic and timely performance information to quantify results for FY4/Q2. The technical teams supported these visits in lending their first-hand knowledge of sector-specific activities and resulting impacts. This ensures data is collected from the most appropriate and knowledgeable people at the targeted companies, farms, etc. M&E also employs the use of online surveys for events, trade shows, etc., to get feedback directly from participants.

KEY ACCOMPLISHMENTS

The following are selected accomplishments for the M&E team this quarter.

- Conducted a series of field visits and interviews across the West Bank to collect, capture, and verify data, as well as ensure quality of data to achieve quantifiable targets.
- Continued opening and updating activities and interventions in the West Bank on Geo-MIS, TraiNet, and TAMIS.

- Worked closely with component leads and the technical staff to make sure that USAID regulations have been met.
- Worked with the communications team to submit project progress reports.
- Captured ongoing data on Private Sector Investment Leverage.

The M&E Engineer continues to:

- Provide engineering technical support to the project teams in assessing, reviewing, monitoring, and evaluating of the project activities, particularly under the Stone & Marble sector's New Sludge Product intervention.
- Provide support to the Agribusiness team when conducting assessments for new products and interventions.
- Review designs, specifications, plans, and drawings vis-a-vis the environmental analysis and make recommendations to ensure they meet and abide by the mitigation requirements.
- Verify Scopes of Work for environmental assessments, environmental reviews, or other environmental studies.
- Serve as the Compete representative to monitor and enforce environmental analysis recommendations, mitigation measures, DAI and USAID construction requirements, and capture results.

The M&E Economist continues to:

- Communicate with beneficiaries to verify the data for economic analysis verification.
- Follow up with beneficiaries on site periodically as a part of monitoring and evaluation team.
- Conduct economic analysis and financial feasibility studies to support Compete technical teams in the economic assessment.
- Provide specialist advice in making wise decisions.

LESSONS LEARNED

The M&E team, particularly the economist, recently began developing business plans to determine whether or not a business has the potential to make a profit. This has proven useful by putting statistics, facts, figures and detailed plans to provide a mechanism for deciding the feasibility of a new business model.

There is an obvious and noticeable gap between Stone & Marble sector companies of different sizes and managerial structures. This implies that tailored interventions may be more effective in providing support; the proposed firm level assistance program will address such impediments and provide technical assistance for these based on their individual needs.

COMMUNICATIONS AND OUTREACH

During this quarter, the communications team highlighted major initiatives implemented by USAID/Compete's through issuing a number of feature stories. The stories gained press coverage from local outlets and, at times, in regional specialized media outlets this quarter.

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

- Newspapers: Al-Quds Newspaper, Al Quds Newspaper, and Al-Hayyat Al Jadideh.
- News agencies: Wafa News agency, Maan News agency, PNN News Agency, Ekhbaryat News Agency, Radio Bethlehem 2000, Watan Tv, Raya news.

- News webpages: Hona Al Quds.net, El Sabah News, Asdaa Press, Al Watan Voice, Baladna news, Mawwal news, Al Bawbah news, and Pal 24.

EVENTS

This quarter there were three main events that the communications team worked with the technical teams to design, organize and implement:

- Bethlehem 5K Run on February 6, 2015
- Business Growth Workshop on April 9, 2015
- Business meeting with farmers and representatives of water institutions (World water day) on March 26, 2015

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 thirteen weekly reports, two monthly reports and a quarterly report. No success stories were approved this quarter.

FINANCE AND OPERATIONS

SUBCONTRACTS AND GRANTS

During the second quarter of the fourth year of the project (January 1, 2015 – March 31, 2015), 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 Q2 of FY4

The procurement team continues to work closely with the Technical teams to implement the project Work Plan.

Three (3) grants totaling US \$140,417 were executed during the quarter with several others in design and negotiation phase.

During this quarter, 61 new requests for vetting were submitted to USAID for individuals and organizations. Eligibility/Ineligibility Notices for 157 outstanding requests were received.

Goals and Future Activities

The Compliance and Grants team has recently undergone a reorganization which will strengthen accountability and clarify separation of duties. This new structure will allow the grants team to spend more time in the field working with grantees, create dedicated resources for the Procurement team, and provide additional support to the HR, Vetting, and Finance functions.

VETTING

The commitment to adhere to Mission Order 21 in a timely, business-like manner is essential to the success of USAID's partnerships with Palestinian companies. Since mid-2013, there has been steady decline in all vetting applications processed in more than 61 days. In the second quarter of FY2015, vetting applications for individuals overall improved, with applications taking less than 30 days increasing by 0.25% and all other vetting times (those over 45 days) for individuals declined. For companies, the number of applications vetted in less than 30 days increased by nearly 0.6% and

applications taking between 31 and 45 days increased under 0.2%. All vetting times for companies taking over 45 days declined.

Figure 1. Length of vetting time for individuals.

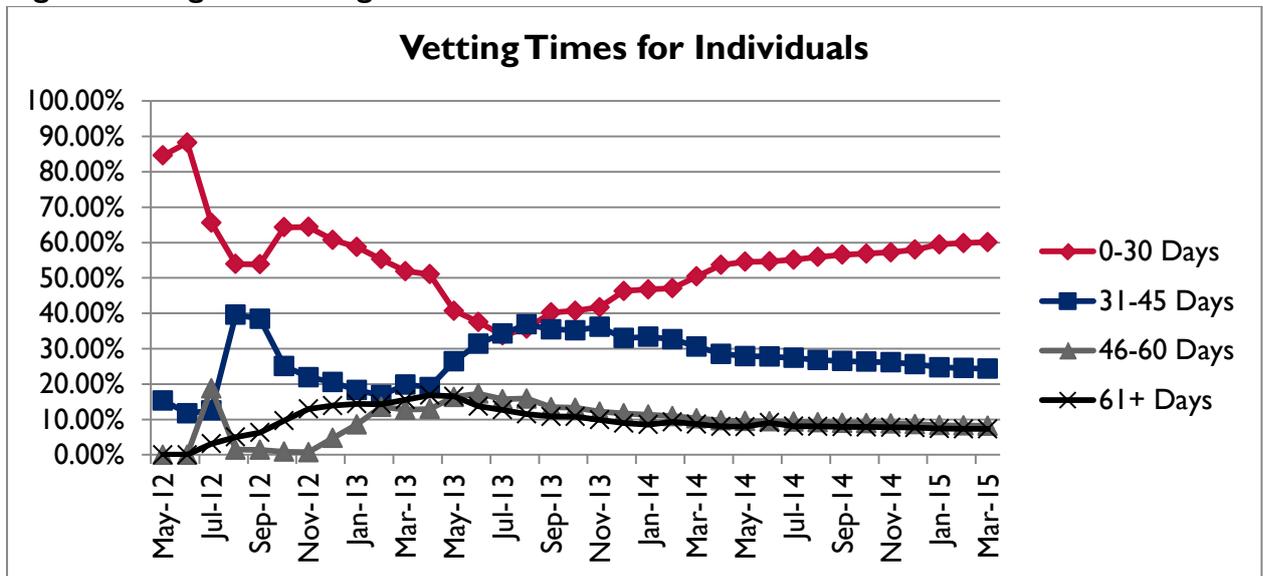
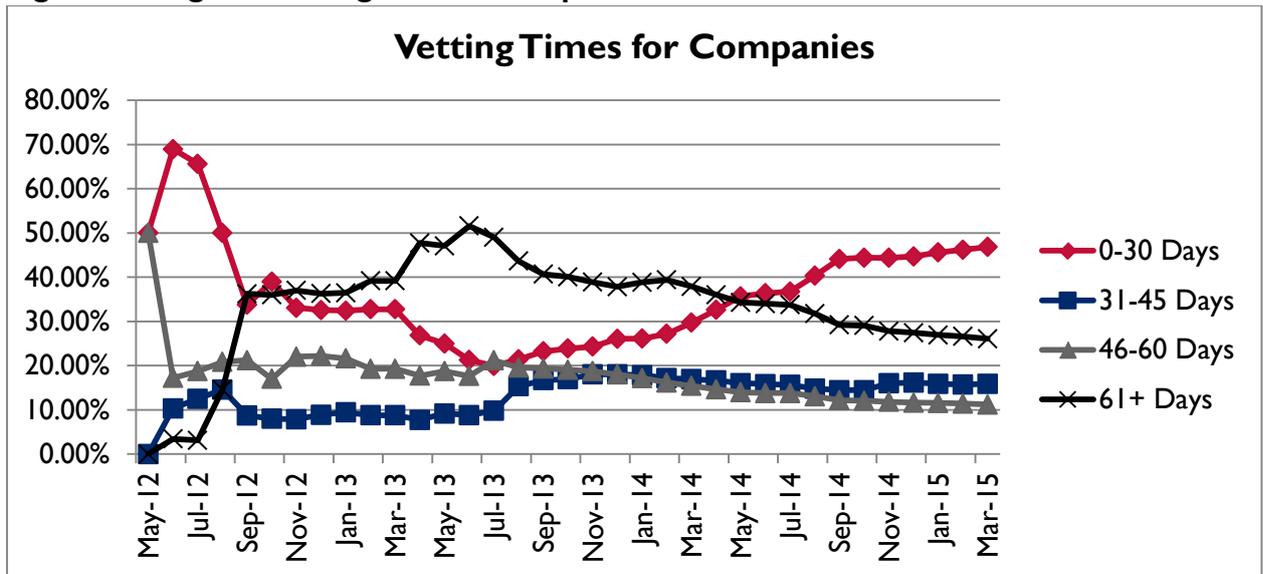


Figure 2. Length of vetting time for companies.



FINANCIAL SUMMARY

The financial summary for Quarter 2, FY4 of the USAID West Bank and Gaza Compete Project is provided in the table below.

Table 1. Obligation Summary.

Current Obligation	Obligation Spent	Obligation Remaining	Per Cent Obligation Spent	Per Cent Obligation Remaining
\$39,163,000.00	\$31,181,450.47	\$7,981,549.53	79.6%	20.4%

LEVEL OF EFFORT

Table 3. Level of Effort in Person Months.

Item	Contract Budget		Inception to Date (December 2014)		Contract Budget by Year				
	Labor Category	Number of Individuals	Total Person Months	Number of Individuals	Total Person Months	Year I	Year II	Year III	Year IV ITD
All	14	1172	14	707.36	106	233	251	117.36	464.64

ANNEX A: SUMMARY OF PROGRESS TOWARD INDICATORS

The following table is a report of all indicators specified in the PMP for the period of January 1, 2015 to March 31, 2015.

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
4.5.2	Agricultural Sector Productivity	4.5.2-36	OP Indicator	Agribusiness	Value of exports of targeted agricultural commodities as a result of USG assistance	Decimal	35,926,562	FY12	23,300,000	\$6,774,983	\$5,201,369
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	30	1	- ²
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	7	1	2
4.6.2	Private Sector Capacity	4.6.2-C02	OP Indicator	Tourism	Percent of hotels adopting nationally-adopted, USAID-introduced hotel classification	Percentage	54	FY12	70%	59%	65% ³
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	6,500,000	\$3,118,499	\$1,031,762

² Compete Project Anticipates this number to go up from the activities with Leaders/IBDAA and other bootcamps to be planned for Q3.

³ 35 hotels have been fully classified.

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C05	OP Indicator	Agribusiness	Number of hectares under improved technologies or management practices as a result of USG assistance	Integer	0	FY12	150	46.5	39.5
4.5.2	Agricultural Sector Productivity	4.5.2-C02	OP Indicator	Agribusiness	Number of new or improved Palestinian products produced by assisted Palestinian agribusiness firms	Integer	0	FY12	60	10	15
4.5.2	Agricultural Sector Productivity	4.5.2-7	OP Indicator	Agribusiness	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	Integer	N/A	FY13	300	34	70
GNDR-2			OP 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	46%	23%	29%
4.2.2	Trade and Investment Capacity	4.2.2-C02	Management Indicator	Agribusiness	Percent increase in exports of assisted Palestinian agribusiness firms	Percentage	35,926,562	FY12	65%	17%	12%

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
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	5%	1%	- ⁴
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	10%	14%	8%
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	32%	15%	5%
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	10%	8%	5%
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	22%	10%	3%
4.2.2	Trade and Investment Capacity	4.2.2-C08	Management Indicator	Agribusiness	Number of new markets accessed by assisted Palestinian agribusiness firms	Integer	7.00	FY12	5	2	4

⁴ MoTA statistics shows a decrease of bed nights in this quarter (225,378 this quarter compared to 293,495 of the same quarter last year); Compete has no significant control on the flow of tourists to the Holy Land as well as on bed nights due to fluctuating of the political situation in the region as well as the period of January through March is not a high season. A Tour Operator stated: "Unfortunately, the political hostilities of the summer 2014 have dramatically influenced our projections and negatively impacted our results for 2014. While we did receive cancellations we have found that the interest still remains, and groups that cancelled immediately rebooked for 2015".

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
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	5	1	2
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	6	5	1
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	16	3	2 ⁵
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	60,630	FY12	10%	13.7%	- ⁶
4.5.2	Agricultural Sector Productivity	4.5.2-C01	Management Indicator	Agribusiness	Percent increase in sales of assisted Palestinian agribusiness firms	Percentage	103,000,000	FY12	33%	7%	5%

⁵ With the launch of the Firm level technical assistance program, we expect more contracts in Quarter 3 and 4.

⁶ MoTA statistics shows a decrease of bed nights in this quarter (225,378 this quarter compared to 293,495 of the same quarter last year); Compete has no significant control on the flow of tourists to the Holy Land as well as on bed nights due to fluctuating of the political situation in the region as well as the period of January through March is not a high season. A Tour Operator stated: "Unfortunately, the political hostilities of the summer 2014 have dramatically influenced our projections and negatively impacted our results for 2014. While we did receive cancellations we have found that the interest still remains, and groups that cancelled immediately rebooked for 2015". The seasonality of the key tourism source markets (i.e. Brazil and Mexico) and the fact that Brazil is going through a deep economic crisis.

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
4.5.2	Agricultural Sector Productivity	4.5.2-C03	Management Indicator	Agribusiness	Percentage increase in area under cultivation for export crops (hectares)	Percentage	360	FY12	20%	18%	7%
4.5.2	Agricultural Sector Productivity	4.5.2-C06	Management Indicator	Agribusiness	Number of new agribusiness contracts executed with international buyers/firms for Palestinian products or services	Integer	0	FY12	20	5	10
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	9%	-	- ⁷
4.7.3	Strengthen Micro-Enterprise Productivity	4.7.3-C01	Management Indicator	Agribusiness	Percent increase in employment of assisted Palestinian agribusiness firms	Percentage	1,690.00	FY12	10%	3%	4%
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	2%	-	0.36% ⁸
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	37%	3%	18%

⁷ MoTA statistics shows a decrease of bed nights in this quarter (225,378 this quarter compared to 293,495 of the same quarter last year); Compete has no significant control on the flow of tourists to the Holy Land as well as on bed nights due to fluctuating of the political situation in the region as well as the period of January through March is not a high season. A Tour Operator stated: "Unfortunately, the political hostilities of the summer 2014 have dramatically influenced our projections and negatively impacted our results for 2014. While we did receive cancellations we have found that the interest still remains, and groups that cancelled immediately rebooked for 2015".

⁸ More new jobs at hotels will be captured in Q3.

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
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	10%	3%	2%
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	5	5	-
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	14	-	- ⁹
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	N/A	FY13	10	1	-
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 Compete Project	Integer	N/A	FY13	6	2	3

⁹ New startups are anticipated in the next rounds of Leaders/e -Zone and IBDA

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
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	1756	FY13	10%	3%	-
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	\$2,394,236	FY13	30%	6%	-
MEP0040	Strengthen Micro-Enterprise Productivity	MEP0040	Management Indicator	ICT	Number of business started by youth with USG assistance, disaggregated by sex of founder.	Integer	-	FY14	10	-	- ¹⁰
MEP0041	Strengthen Micro-Enterprise Productivity	MEP0041	Management Indicator	ICT	Total number of start-up capital raised by youth	Integer	-	FY14	\$240,000	\$26,000	- ¹¹
MEP0042	Strengthen Micro-Enterprise Productivity	MEP0042	Management Indicator	All Sectors	Number of youth gaining employment or better employment as a result of participation in USG-funded program	Integer	-	FY14	226	49	100

¹⁰ Facts on the ground entails this change for two reasons: 1. USAID definition of Youth being < 29 years is forcing limitations as most of the businesses are established by older ages 2. The usual preference of the youth to delay official registration of their businesses to avoid tax hurdles and costly registration fees.

¹¹ With new startups anticipated, we expect this figure to increase towards September 2015.

PE Code	PE Name	Indicator Code	Indicator Type	Sector	Indicator Name	Indicator Format	Baseline Value	Starting Fiscal Year	Planned Value for FY4	Actual Value for FY4/Q1	Actual Value for FY4/Q2
MRP0039	Strengthen Micro-Enterprise Productivity	MRP0039	Management Indicator	ICT	Number of businesses started by youth with USG assistance that are still in operation one year later, disaggregated by sex of founder	Integer	-	FY14	8	-	1 ¹²
6.3.1	Gender	6.3.1 C	Management Indicator	All Sectors	Increase in exports and/or sales by women-owned businesses and cooperatives as a result of U.S. Government assistance in the Agribusiness, Stone and Marble, and Tourism sectors.	Percentage	-	FY14	0	-	\$52,229
6.3.1	Gender	6.3.1 D	Management Indicator	ICT and Tourism	Number of women participants in training and capacity building courses that improve skills in the ICT and Tourism sectors.	Integer	-	FY14	0	354	-

¹² Facts on the ground entails this change for two reasons: 1. USAID definition of Youth being < 29 years is forcing limitations as most of the businesses are established by older ages 2. The usual preference of the youth to delay official registration of their businesses to avoid tax hurdles and costly registration fees

ANNEX B: 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 press releases and feature stories that were produced in the 2nd quarter FY4.

Event/initiative: Palestinian Image Bank (feature story)

Sector: Tourism

Date: January 12, 2015

Media Coverage:

<http://www.fatehwatan.ps/page-100211.html>

<http://honaalquds.net/ar/article/8912/#.VLYj58WSz3U>

<http://www.rb2000.ps/ar/news/128193.html>

<http://www.wattan.tv/ar/news/119820.html>

www.wafa.ps/arabic/index.php

<http://elsaba7.com/articlesPrint.aspx?Id=2243%20%D8%A8%D9%86%D9%83%20%D9%84%D9%84%D8%B5%D9%88%D8%B1%D8%AA%D8%AC%D8%B3%D9%8A%D8%AF%D9%8C%20%D9%84%D8%AA%D8%A7%D8%B1%D9%8A%D8%AE>

<http://www.maannews.net/arb/ViewDetails.aspx?ID=753461&MARK=%D8%A8%D9%86%D9%83%20%D9%84%D9%84%D8%B5%D9%88%D8%B1%20%D8%AA%D8%AC%D8%B3%D9%8A%D8%AF>

<http://motaded.net/show-5043408.html>

<https://arbindex.com/C2kzlw>

www.all-

agencies.com/ps/l.php?id=23169http://translate.google.ps/translate?hl=en&sl=ar&u=https://arbindex.com/C2kzlw&prev=search

<https://www.facebook.com/QudsN/photos/a.119620728114837>

<http://www.raya.ps/ar/news/884146.html>

<http://pal24.net/ViewNews.aspx?ID=51687>

www.asdaapress.com/?page=details&cat...newsID...

<http://www.alwatanvoice.com/arabic/news/2015/01/12/646126.html>

Event/initiative: Christmas in the Holy land (feature story)

Sector: Tourism

Date: January 26, 2015

Media Coverage:

<http://ekhbaryat.net/?newsID=59306>

<http://www.asdaapress.com/?newsID=9420>

<http://www.alwatanvoice.com/arabic/news/2015/01/26/652308.html>

Event/initiative: 5K Run to explore Bethlehem (published by partners)

Sector: Tourism

Date: February 2, 2015

Media Coverage:

<http://pnn.ps/index.php/local/115340>

<http://www.baladnafm.ps/baladnafm/18388>

<http://www.rb2000.ps/ar/news/129761.html>

<http://media24.ps/public/newsDetails/4871>

<http://www.alquds.com/news/article/view/id/544892>
<http://www.rita.ps/ritaps/2452>
<http://www.mawwal.ps/ar/mawwal/63767>
<http://www.wafa.ps/arabic/index.php?action=detail&id=192260>
<http://www.alhayat-j.com/details.php?opt=3&id=254513&cid=3558>
<http://www.alhayat-j.com/pdf/2015/2/7/page5.pdf>
<http://www.albawabhnews.com/1098293>
<http://www.el-balad.com/1376558>
<http://www.khabarmubasher.com/new-58790>

Event/initiative: Palestinian Dates Sub-Sector (feature story)

Sector: Agriculture

Date: March 3, 2015

Media Coverage:

<http://www.raya.ps/ar/news/890688.html>
<http://www.maannews.net/Content.aspx?id=764423>
<http://www.asdaapress.com/?newsID=10280>
<http://www.fatehwatan.ps/page-103102.html>
<http://www.pal24.net/news/55673.html>
<http://www.rb2000.ps/ar/news/131192.html>