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Communities, Habitat and Finance

West Bank and Gaza

Community Services Program

Quarterly Report

(Photo 1)

Monday, April 30, 2001

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(Photo 2)

1 Executive Summary

The Community Services Program (CSP) is a highly participatory community infrastructure and human development program working in sixteen of the poorest villages in the southern and eastern Gaza Strip to build roads, schools, community centers, and other infrastructure as well to offer training to the area's residents. Most importantly, the program is a process driven one. A major emphasis of the program is the ability to get input from all constituent parts of the target community on the establishment of priorities before sub-projects are undertaken. CHF Palestine works closely with local Palestinian NGOs for sub-project identification, community participation, project design, project implementation and sustainability.

The CSP consists of two separate contracts with USAID.

The first, the Community Rural Services Program,¹ is a 3-year, \$3 million contract that began in October 1999 and targets a five-village cluster in the southeastern Gaza Strip with a population of 75,000. The target villages are Qarara, Abessan Jedida, Abessan Kabira, Khuza'a and Bari Suheila. All are in the Khan Younis Governorate.

The Village Services Program² is a second 3-year, \$3.4 million contract that began in October 2000 that undertakes the same activities as the Community Services Program but in nine³ smaller communities in the southern Gaza Strip with a population of 41,000 and with additional emphasis placed on building the capacity of local councils. The target villages are Sureij, Fukhari, Qessan Najjar, Manari, Maen, Qaal Kurein (Khan Younis Governorate), Nasser, Kherbet Adaas and Shokat Sofi (Rafah Governorate).

Expected Results

At the end of the project, CHF will have:

- Implemented approximately one hundred small-scale basic infrastructure and community services projects;
- Improved the living conditions of over 110,000 Palestinians in the program area;
- Leveraged significant additional financial and material resources for investment in the program area or cluster to complement USAID funding;
- Developed and submitted to USAID annual implementation plans for approval;
- Undertaken and completed annual implementation plans;
- Worked directly with a series of Palestinian NGOs in project identification, planning and implementation in order to build local capacity;
- Assured that all infrastructure investments are constructed in a way that they will be able to be maintained by the local population following completion;
- Provided formal and on-the-job training to employees of the partner NGOs and other service providers; and
- Created a sense of ownership regarding community services within target communities using proven community participation methodologies and the introduction of cost-recovery schemes, thus further enhancing sustainability.

¹ Award #: 294-C-00-99-00157-00

² Award #: 294-A-00-00-00069-00

³ Originally, the grant agreement for the Village Services Program was for a group of 11 communities. Subsequently, the Ministry of Local Government has redrawn administrative lines such that two previously considered independent communities have been merged into others. Therefore although the geographic area and total population served remain the same, the number of communities has been reduced.

2 Current Activities

On Monday March 11, 2001, the Annual Implementation Plans for both CSP grant agreements (CRSP and VSP) were approved. Furthermore, it was agreed that quarterly reports on project implementation could be combined for both CSP grant agreements.

Finally, in early February 2001 CHF submitted a request for additional funding to USAID to be applied to the entire CSP project area. The request was for the amount of approximately \$3.5 million and was projected to split evenly over both awards and applied to the entire CSP area. Finally, this request stipulated an extension of the initial CSP contract (CRSP) to as to unify the end date of both awards, i.e. September 30, 2003.

2.1 Audited Progress To Date

After one year of CHF management of CRSP⁴, an international audit firm confirmed that:

- CHF is in compliance with USAID regulations;
- Project implementation financed by USAID is on schedule; and
- Matching contributions have surpassed expectations. The monetary value of projects had more than doubled the value anticipated in the original response to the Annual Program Statement, and the total monies that CHF had projected to leverage from the community and other sources over the entire three-year award period had been secured by the end of the first project year.

2.2 Current Status⁵

Project implementation of CRSP and VSP continued during this reporting period despite travel restrictions and the periodic stop on imports and construction materials to the Gaza Strip.

Seventy-four projects have been completed or are in progress in both CRSP and VSP. Of the completed projects, 3 are in VSP and 31 are in CRSP. There are currently 17 projects in progress for the VSP program and 24 for CRSP. Sixty-six projects are planned to start this project year, evenly split between CRSP and VSP.

CHF has met or surpassed all projections for the identification, implementation and completion of projects as set forth in its Annual Implementation Plans as approved by USAID.

(Photo 3)

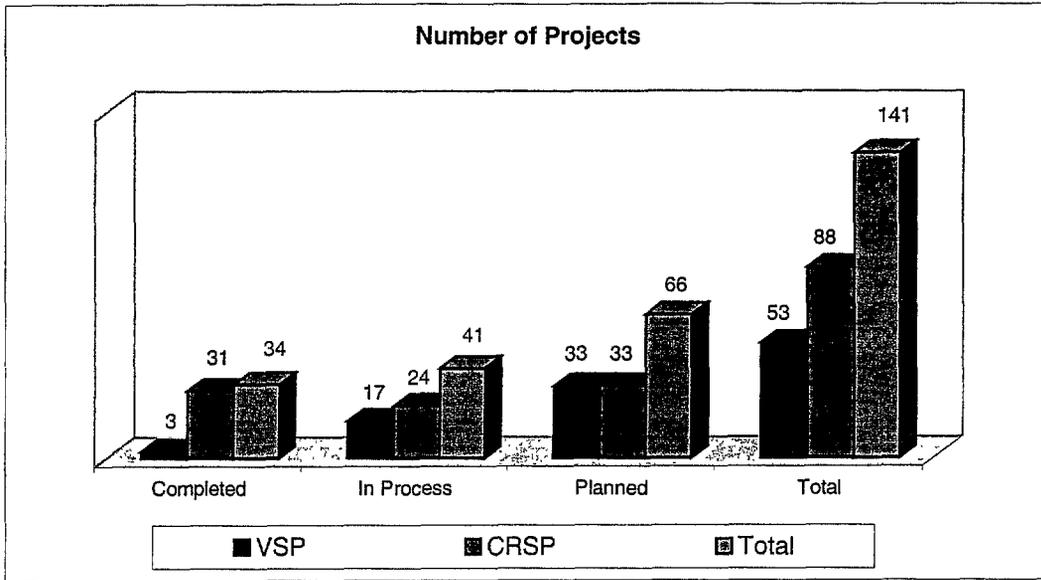
The following diagrams represent project progress to date according a series of key indicators.

⁴ The audit applied only to the first CSP award (CRSP) given that the second award (VSP) had not yet been functioning for a full year.

⁵ It should be noted that a comparison of data between the two different awards in this section will show slightly lower indicators for the VSP than for the CRSP. This due to the fact that 1) the VSP started one year later, 2) the VSP villages/communities are smaller and the total target population of the VSP target zone is less than the CRSP, and 3) the current crisis has adversely affected the ability of the local population to contribute financially to project costs.

4

2.2.1 Number of Projects

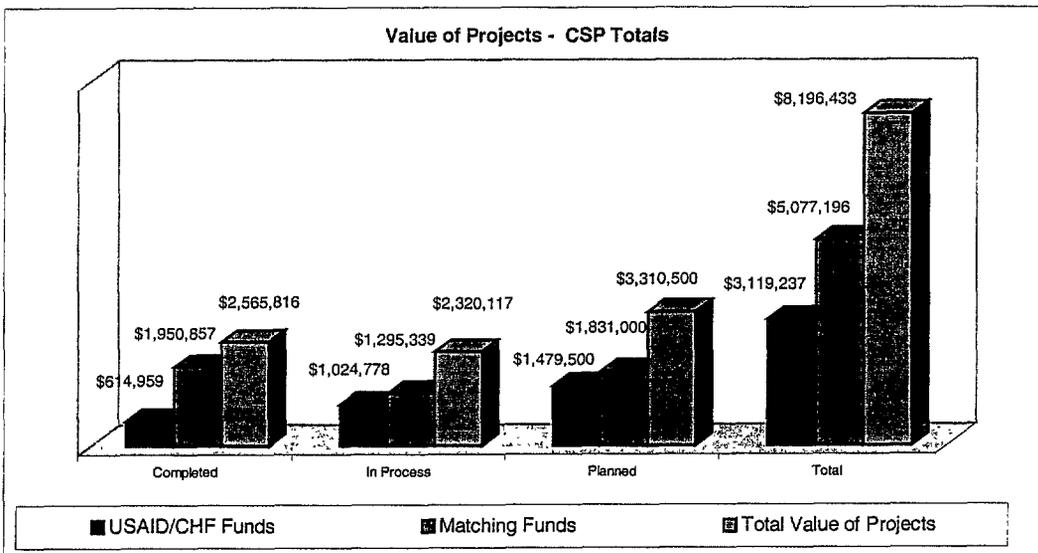


2.3 Value of Projects and Leveraged Funds

For completed CSP projects to date, CHF has leveraged over \$3.00 from the communities/other donors for every \$1.00 invested in projects with USAID funds. For projects currently in process, CHF has leveraged \$1.25 from the communities/other donors for every \$1.00 invested in projects with USAID funds.⁶ CHF anticipates that it will maintain approximately a \$1.25 match to each USAID \$1.00 for future projects.

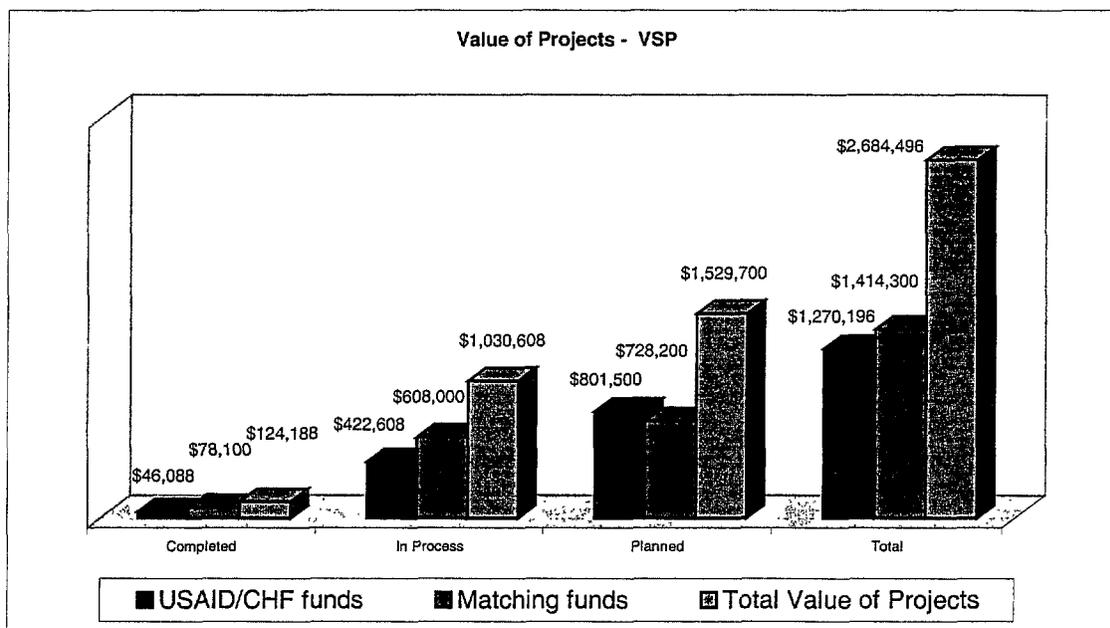
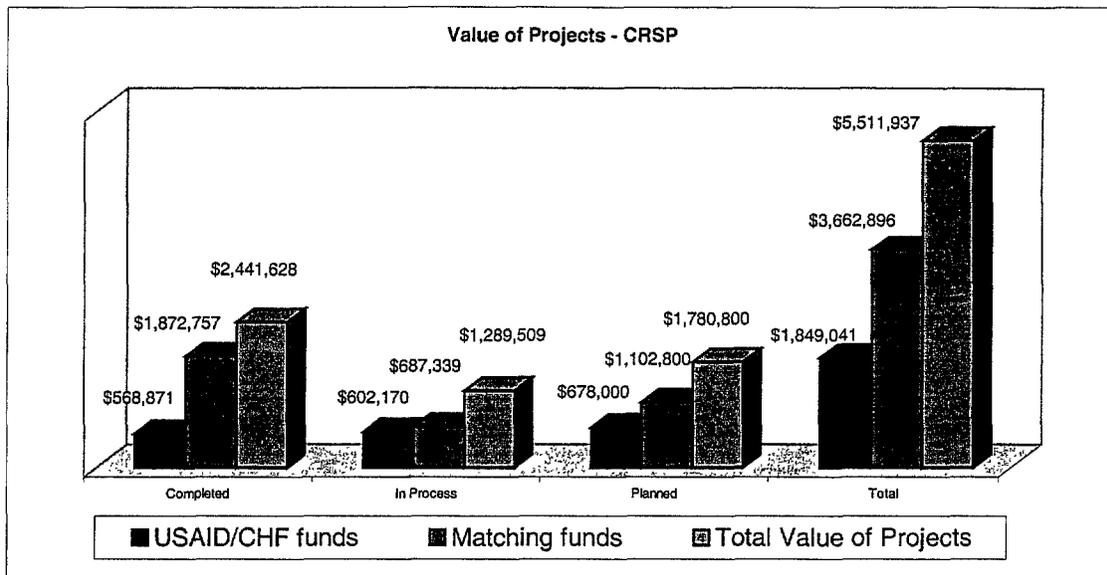
An average CRSP project currently costs approximately \$20,500 of USAID funds. An average VSP project will cost approximately \$23,000 of USAID funds.

2.3.1 CSP Totals



⁶ The leveraged amount, although well above what was projected in the award documents, is lower for projects in process due to the inclusion of VSP activities which target much poorer communities as well as due to the lowered income generating capacity of the local population as a result of the current crisis.

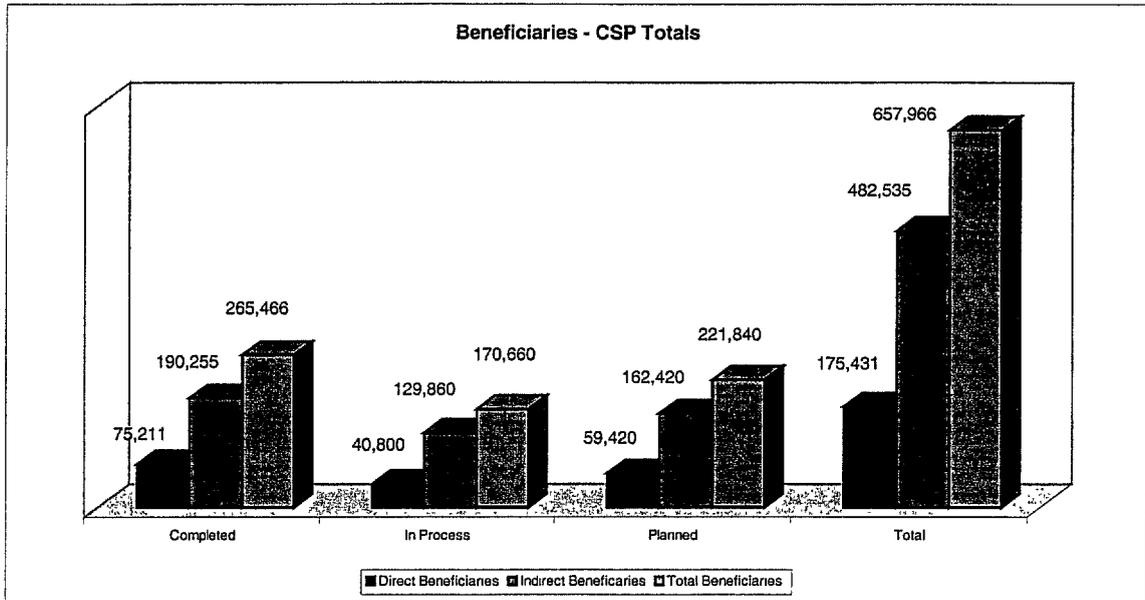
2.3.2 By Award



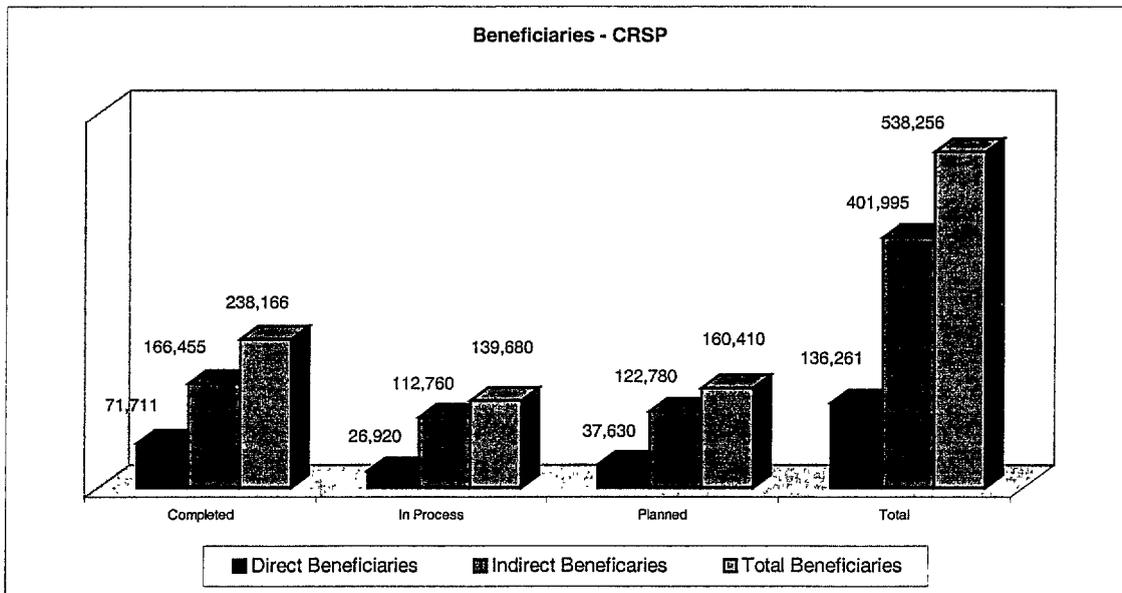
2.4 Beneficiaries

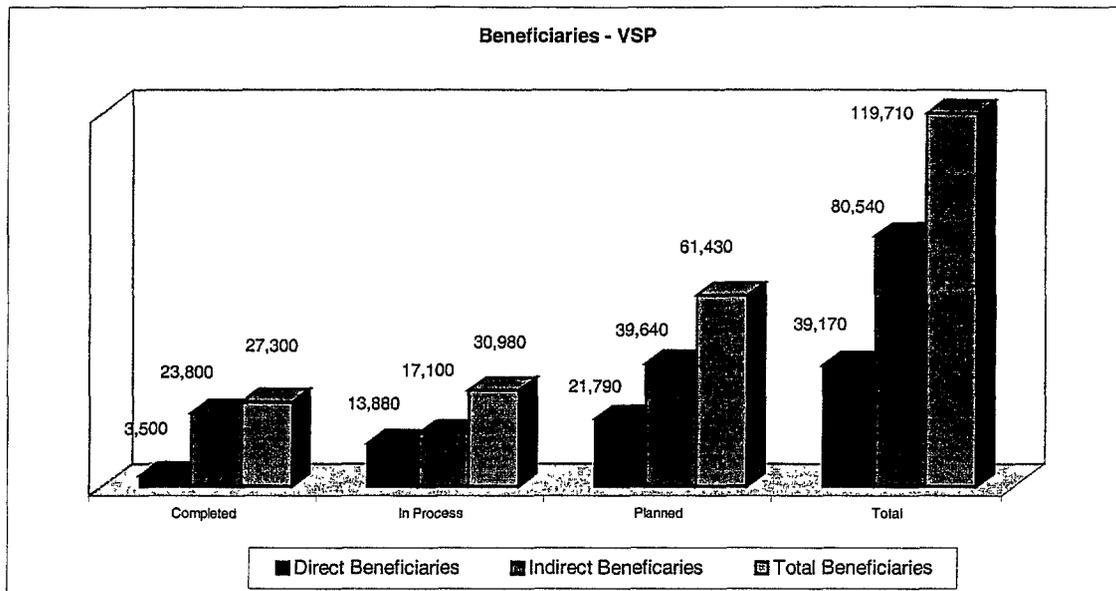
Beneficiary figures are accumulated per each project. There is a total of 657,000 beneficiaries in the project area of 115,000 inhabitants. Each inhabitant benefited 5-6 times due to improvements in community services initiated and implemented by the CHF-CSP programs.

2.4.1 CSP Totals



2.4.2 By Award

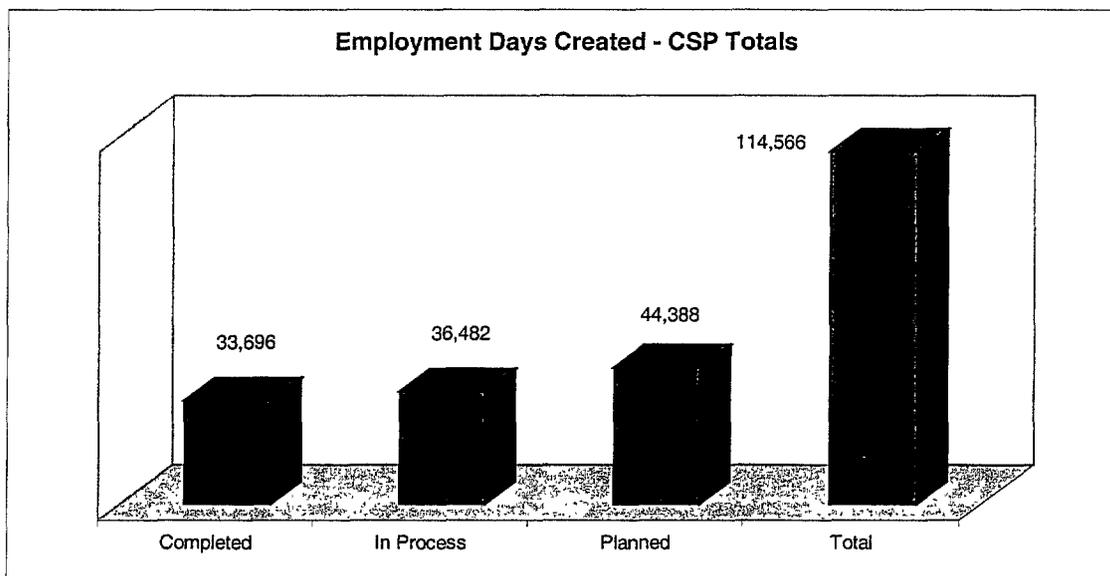




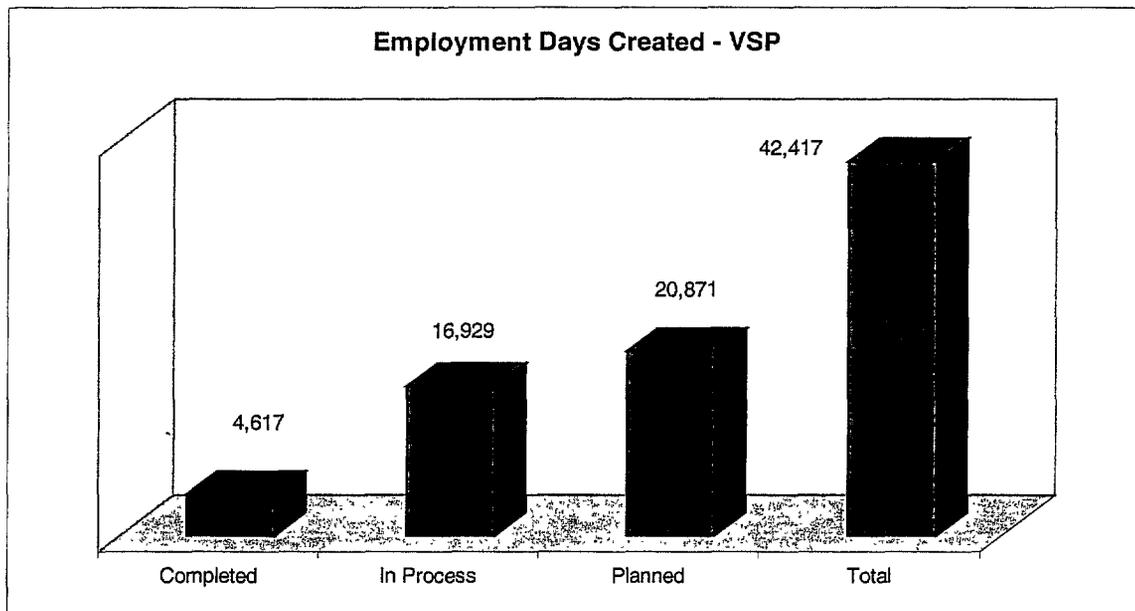
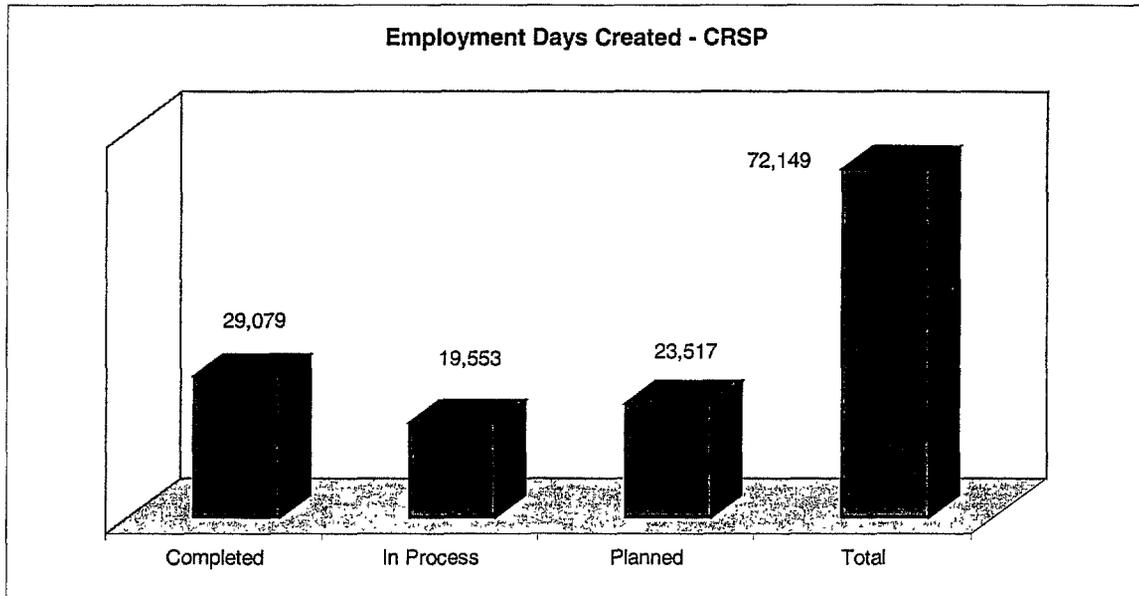
2.5 Employment Generation

In the CRSP target area, an employment day generated, including all materials, costs \$22.63. For the VSP target area, the investment is slightly higher, \$32.23, due to the lower availability matching funds.

2.5.1 CSP Totals



2.5.2 By Award



2.6 Summary of Output indicators

The annexes attached to this report, provide the total of output indicators for all completed and on-going projects. They can be summarized as follows:

- 3,211 square meters of educational space are created or rehabilitated in 11 projects;
- Access or irrigation of 11,200 square meters of agricultural land has been created or substantially improved;
- 4,156 square meters of youth and/or women facilities have been created or rehabilitated;

- 594,330 cubic meters (on a yearly basis) of supplied water, waste water or solid waste has been provided or is taken care for;
- 98,322 square meters (about 20 km in length) of roads have been paved or constructed;
- 360 square meters of health or safety facilities have been constructed or substantially improved;
- 3,425 training hours are provided to professionals or unemployed; and
- 3,228 training hours are invested in better governance or improved communication between service providers and service receivers.

Indicator performance can be summarized as follows:

CRSP		# of projects				USAID Funds		Match	Beneficiaries	
IR	Objective	Completed	In-process	Planned	%	\$	%	%	Direct	Indirect
1.1	Educational space	4	5	2	11%	\$193,377	11%	323%	12,130	7,255
1.2	Agricultural	0	2	2	4%	\$101,060	6%	144%	1,550	6,900
1.3	Youth, women facilities	6	5	16	26%	\$445,609	23%	194%	34,339	74,960
1.4	Water supply, sanitation	7	5	2	14%	\$324,035	18%	237%	49,090	117,500
1.5	Roads	14	10	7	29%	\$980,664	54%	202%	42,620	120,550
1.6	Health, safety	3	0	0	3%	\$26,023	2%	174%	10,377	66,860
2	Training	3	3	7	14%	\$108,450	6%	39%	6,750	37,940

For VSP it is too premature to present these data. In the attached annexes, a provisional attempt has been made for the completed and on-going projects, as an indication, based upon conservative estimates.

3 Staffing

As part of its VSP proposal, CHF had originally proposed, Ms. Rana Turk, a Jordanian national of Palestinian origin to fill the role of Senior NGO/Community Participation Specialist. Due to the ongoing strife in the Palestinian Territories, Ms. Turk opted not to accept the position. CHF has identified a professional with a similar profile, background and experience willing to accept the post., Ms. Amal Al-Azzeh, currently working at the Noor Hussein Foundation in Jordan. She is projected to arrive in May 2001. In the interim, CHF has identified two local specialists, Nawal Zakout and Tahani Abu Dagga, to work on a temporary basis.

CHF shares certain personnel across both CSP awards. The following table shows the allocation of each employees *budgeted*⁷ time across the programs.

Name	Title	CRSP			VSP		
		Budgeted	CSP	CRSP specifics	Budgeted	CSP	VSP specifics
M. Lovick	Country Director	38%	30-50%		62%	50-70%	
D. Hussein	Executive Assistant						
N. MacDonald	Program Consultant	0%			0%		
H. Dissekoe	CSP Director	76%	60-70%	10%	24%	10-20%	10%
S. Rizkallah	Deputy CSP Director	58%	20-25%	30-40%	42%	15-20%	20-30%
N. Abu Sitta	Senior Site Engineer	0%		10-20%	100%		80-90%
A. Najjar	Economic	90%	50-70%	20-30%	10%		10-20%
Z. Nabaheen	Institutional Specialist	68%	20-40%	30-50%	32%		25-40%
K. Saada	Accountant	0%	0-20%		100%	80-100%	
H. Ghyada	MIS Manager	60%	40-50%	10-20%	40%	15-25%	15-25%
K. Kassam	General Office Assistant	50%	20-30%	20-30%	50%	20-30%	20-30%
A. Al-Azzeh	Sr. Community Participation	0%		10-20%	100%	30-50%	40-50%
S. Faqawi	Community Specialist	72%		60-80%	28%		20-40%
M. Rabah	Jr. community specialist	87%	40%	40-50%	13%		10-20%

⁷ The percentages are indicative of the amount of time budgeted in the two CSP awards. For example., the Country Director was budgeted only for a limited number of days in each of the CSP awards. The percentages in the table refer only to those days allocated to the CSP.

4 Financial Management/Reporting

Quick Books, the CHF International standard project accounting package, has been installed and is functioning smoothly. This is the standard CHF financial accounting package that has a pre-defined chart of accounts. In the period under review CHF has begun to upgrade the financial information system to 'Quick Books 2000' in order to more efficiently communicate financial information between CHF Headquarters and the field.

The Project Reporting System (PRS) pioneered by CHF REDI program in Lebanon has been selected as the most suitable information and reporting system for CSP. CSP staff members were trained in the operation and maintenance of this system during a regional workshop in Amman, Jordan. The PRS has been installed and is currently in use. USAID and CHF joined efforts and are in the process of developing a uniform standard for the reports of all PVOs, based upon PRS.

5 Partners

(Photo 4)

Special efforts have been made to enhance the community participation aspects of the CSP, with a series of community participation and public awareness campaigns having been successfully conducted by CHF's staff and selected partner NGOs. One of these NGOs, the Civic Development Forum (CDF) has proven to be very responsive and efficient. CHF and local leaders of our target communities agreed in September 2000 to select CDF as CHF's primary partner NGO for the entire program area.

CDF continues to facilitate contacts with the communities, assist in needs assessments and conduct quality control activities of on-going projects, and select of new projects. CDF is working side-by-side with CHF in the coordination with municipalities and CHF's other partner NGOs. This development is particularly important, as the organizational capacity of NGOs in the program area had been a concern during program formulation.

As explained in the Annual Implementation Plan, CHF has temporarily decreased the number of partner NGOs as a response to the crisis. In an attempt to localize solutions during periods of restricted travel, CHF and CDF will focus on eight to nine local NGOs from within the program area, rather than the 13 (not including CDF) as originally put forth. Selection will be based upon functional, pragmatic and operational considerations. CHF will nevertheless build the required capacity in each zone of the CSP area.

6 Other Issues

6.1 Current Crisis

(Photo 5)

The popular uprising in the Palestinian territories started the same date as the VSP contract between CHF and USAID was signed: September 29th, 2000.

The popular uprising in the Palestinian territories started September 29th, 2000 and still continues. It therefore covered the entire period on which CHF now reports and has seriously affected the living conditions of all Palestinians in the program area. As a result, the USAID decision makers advised U.S. citizens and the non-Palestinian project staff to evacuate in the second week of October. CHF complied, although the evacuated staff continued working from abroad, Tel Aviv or Jerusalem. In early November, CHF decided to remobilize without compromising the highest possible level of safety.

To date, the program implementation (project preparations, Annual Implementation Plan preparation and submission, public consultations and the start of some the fast track projects did not face any delays. There was nevertheless a certain amount of rescheduling that took place within the period under review.

6.2 Municipal Reshuffling

Importantly, the Ministry of Local Governments regrouped some communities within the VSP area:

- Bayuk and (part of) Um Kelab now form 'Nasser'; and
- Qaal Kharraba, Um Kamel and the (other part) of Um Kelab now form 'Manara'.

This regrouping decreases the total number of eleven target communities to nine, without changing the number of beneficiaries or shape of the VSP area. The combining of the four communities into two differently named villages does not alter the set up of the program in any other aspect than that the community representation needs to be redefined.

6.3 Project Descriptions

The annexes are dedicated to the project details and the progress in process and planned projects, also sorted by community and by indicator, whereas all details per projects in historical order of identification are also provided.

(Photo 6)