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Palestinian Authority Capacity Enhancement Project

PALESTINIAN AUTHORITY CAPACITY ENHANCEMENT PROJECT

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Acronyms

COE	Centers of Excellence
CHF	Cooperative Housing Foundation
CSO	Civil Society Organization
DPW	Directorate of Public Works
DVE	Department of Vehicle Engineering
GSP	Government Spokesperson Bureau
HCT	Higher Council of Traffic
JLR	Jenin Land Registration
LB	Licensing Bureau
MOF	Ministry of Finance
MOL	Ministry of Labor
MOPAD	Ministry of Planning and Administrative Development
MOPWH	Ministry of Public Works and Housing
MOI	Ministry of Interior
MTIT	Ministry of Telecommunications and Information Technology
MOT	Ministry of Transportation
MOLG	Ministry of Local Government
NLR	Nablus Land Registration
OD	Organizational Development
PLA	Palestinian Land Authority
PMP	Performance Monitoring Plan
RRU	Road Repair Unit

QUARTERLY HIGHLIGHTS



In his remarks to the CEO workshop, Dr. Fayyad said “First of all, this program underlines what this Authority is about, which is to provide services to the Palestinian citizen. This program, and the way it’s designed, reinforces our objectives – we are committed to upgrading the PA’s capacity to deliver quality services to the citizens.”

QUOTES AND OTHER NEWS

“There are so many issues raised here in which I was never even aware of, and there are even procedures being implemented in some of the area offices which I didn’t know existed,” and continued to tell PACE that “this type of workshop should be conducted yearly for us to discuss our operating procedures and internal problems. I feel that this session will help us become a more unified department with consistent services- I want to thank USAID for this type of support,” Stated Ministry of Finance Property Tax Director Mahmoud Nofal.

Renovation work commenced at the Jenin land registration office after the Palestinian Land Authority received access to the site from the Ministry of Public Works and Housing.

“This project demonstrates how the Palestinian Authority (PA) is working to improve the quality of life for Palestinians in the West Bank,” stated USAID Mission Director Howard Sumka.

The Higher Council of Traffic and the Ministries of Transportation, Public Works and Housing, and Local Government launched the first project supported road sign installation in Ramallah governorate on August 27, 2009. Minister of Transportation Sa’di Al-Krunz and USAID Mission Director Howard Sumka led a ribbon cutting event with representatives from each ministry as well as local and international members of the press. “This is the first time that three ministries worked together as a joint venture to implement an endeavor like this,” stated Mr. Al-Krunz who thanked USAID for its friendship and support.

Informational road and building signs are now installed and available to inform and direct the public to the Ramallah licensing bureau’s new location. Additionally, PACE installed no smoking signs in the new building to compliment and promote the new professional environment introduced in the bureau.

PACE officially partnered with the Ministry of Telecommunications and Information Technology as its sixth PA partner to launch project supported interventions aimed at establishing a functional postal system in Palestine, creating a multi-governmental service center in Nablus Postal office to better accommodate the needs of the citizens in the area, enhancing public outreach and communications capacity, and bolstering internal capacity to implement internal institutional reform.

Prime Minister Salaam Fayyad and USAID Mission Director Howard Sumka joined PACE to inaugurate and launch the project’s primary capacity enhancement activity for year’s two and three – The Centers of Excellence (COE).



Palestine’s first official postal logo was selected. Accordingly, PACE initiated preparations for a nationwide advertising and branding campaign. The selected postal logo will be branded by the Ministry on all postal vehicles, selected post offices, employee attire, documents, pens, in addition to their website.

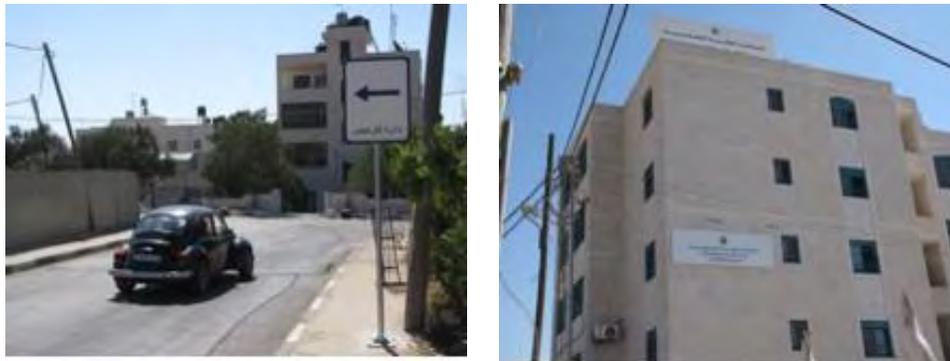
CAPACITY ENHANCEMENT INTERVENTIONS

During the fourth quarter of fiscal year 2009, the Palestinian Authority Capacity Enhancement project continued to develop a more professional and competent public administration and civil service within the Palestinian Authority (PA), as well as in providing more effective, efficient and responsive services and benefits to the Palestinian people. Short-term interventions had quick and visible impact in the Palestinian Land Authority (PLA), Ministry of Finance (MOF), Ministry of Transportation (MOT), Ministry of Public Works and Housing (MOPWH), Ministry of Interior (MOI), and the Ministry of Telecommunications and Information Technology (MTIT).

MINISTRY OF TRANSPORTATION

Licensing Bureaus

PACE provided several renovations and structural improvements to licensing bureaus in Hebron, Nablus and Ramallah during the quarter. The project received Minister Sa'di Krunz's approval and installed building and informational/directional signs in the vicinity of the refurbished Ramallah licensing bureau building to direct citizens to the bureau's new location. PACE also finalized the interior design for the Hebron and Nablus licensing bureaus and received the Ministry's signed approval for implementation. To initiate the next phase and advance planned renovations, PACE finalized a bill of quantities for the needed building renovations and released a local tender to complete the work.



Informational signs are visible showing citizens where to find the Ramallah Licensing Bureau

Process Reengineering

After PACE received the Minister's final approval on the operating procedures manual, a meeting was conducted with PACE's local media company subcontractor Zoom to initiate the production of brochures that will inform citizens of the proper procedures to be followed and the required paperwork needed to receive ministry services. The brochures will contribute to increased efficiency, reduced service delivery time, and increased citizen satisfaction by reducing the need for citizens to ask various officials multiple questions before a service is completed. Additionally, PACE prepared 'as-is'

documentation for the directorate of licensing bureaus and will prepare the same for an additional three other directorates in the first quarter of 2010.

Training

PACE concluded technical meetings with the director general of licensing and the MOT's training specialist and finalized a training schedule for MOT employees. The project delivered the following agreed upon courses this quarter: three day course on basic communication skills for desk officers and vehicle examiners, a three day course on media communications and public relations for the MOT's media and public relations officers, and two Hebrew courses, one in Hebron and one in Ramallah, for office managers, desk officers and vehicle examiners.



PACE concluded the final phase of the Hebrew language course for the Ramallah and Hebron licensing bureau employees in which a total of 32 participants attended: 15 from Ramallah and 17 from Hebron. The trainees demonstrated their newly learned foreign language with basic conversational dialogues in Hebrew and expressed contentment with the course in addition to their fondness for the relationships developed with teacher Ali Al-Jariri. One attendee stated, "The teacher is excellent and the vocabulary I learned is also excellent, because it is actually related to the work I do. Now, unlike before, I will be able to read the Israeli tickets I receive at work." The course concluded with a closing ceremony where the participants were congratulated and presented with a modest reward from Mr. Al-Jariri.



Resulting from a request from the MOT's training manager, PACE concluded a meeting with Mazen Adeek, the Director General of the Department for Vehicle Engineering (DVE) and assessed the department's inspection capacity gaps. Based on the assessment, PACE evaluated the department's training needs, developed a scope of work, and recruited a qualified trainer to address these gaps. Training enhanced the capabilities of vehicle examiners from Ramallah, Nablus, and Hebron to properly inspect vehicles and identify defects. Proper examinations will decrease the number of dangerous vehicles on the road and contribute to the project's overall road safety interventions.

MINISTRY OF TELECOMMUNICATIONS & INFORMATION TECHNOLOGY (MTIT)

Based on the Project's reputation for achieving tangible impact, PACE received multiple requests for additional assistance from across the PA. The Ministry of Telecommunications and Information Technology (MTIT) became a formal sixth partner

of PACE at the request of Minister Mashour Abu Dakka and USAID in August 2009. The proposed six-month action plan was signed and approved by the Minister and Director General Mahmoud Diwan. In his remarks to PACE, the Minister stated “What we have previously agreed upon is identified in this [action] plan. I am pleased to know that you will be supporting these needs in the coming six months.”

PACE’s support is designed to enhance the Ministry’s capacity to provide the public with basic postal services. Currently, letters and packages are either delivered by the Palestinian post office, Israeli post office, or multi-national private couriers. There are no daily collection services in West Bank, and door-to-door delivery is restricted. The Ministry offers limited letter and parcel delivery, facsimile and telegraph services, post office box rental, stamp sales, and some financial services. Incoming and outgoing mail and packages originating from, or destined to, Arab countries are routed through Egypt or Jordan. All other incoming or outgoing postal items are delivered via the Israeli postal system. However, registering with the Israeli postal authorities is a difficult and often impossible task for most Palestinians. Consequently, Palestinians cannot be guaranteed that they will be able to send or receive mail, which results in the forced use of private couriers for basic mail services.

Process Reengineering & Postal Capacity Building



Rapid assessments conducted in the multi-governmental building in Nablus, which houses services provided by the Ministry of Finance property tax division, and the post office, confirmed the need for PACE to support a well designed service center where citizens can receive services for property tax issues and perhaps other services rendered by the public sector. The renovations were

initially planned with support from the MTIT to improve the current disorganized layout of the building that often creates delays and is a confused operating environment.



One interesting success of PACE’s involvement in the Ministry occurred organically. In order for the property tax department to submit notices to the public, third-party mail delivery services is being used. During several meetings towards the end of this quarter in Nablus, PACE helped facilitate the discussion between Mahmoud Nofal, Director General of the Property Tax

Department of the West Bank, and post office Director General Fathi Abu-Shbak, which resulted in a preliminary understanding for all property tax units in the West Bank to begin using the post office for mail delivered to citizens. Further discussion on this arrangement will continue during the next quarter with an objective to forge a final agreement by which payments will be issued from the MOF to the post office to provide for these services.



To determine how the MTIT and the MOF will share the space available in the multi-governmental building in Nablus, PACE facilitated a field visit with the Minister of Telecommunications and Information Technology Mahmoud Abu Dakka as well as the property tax Director General Mahmoud Nofal. PACE guided them through the building and explained the project’s planned renovations. During the walk through, the Minister and Director General shared their envisioned plans for the building and discussed how the space available should be allocated to each ministry.

MINISTRY OF PUBLIC WORKS AND HOUSING

To lay the foundation for the second and third years’ interventions as project activities shift towards medium-term priorities, PACE separated the weekly ministry meeting into a management and a technical group meeting. The management meeting is now focused on the longer-term project capacity building objectives while the technical meeting will be continued as before to push short-term tangible improvements forward. Initially, the management meeting will be dedicated to employ the Ministry’s ownership of Centers of Excellence methodologies.



The Higher Council of Traffic and the Ministries of Transportation, Public Works and Housing, and Local Government launched the first project supported road sign installation in Ramallah on August 27, 2009. Minister of Transportation Sa’di Al- Krunz and USAID Mission Director Howard Sumka led a ribbon-cutting event with representatives from each ministry as well as local and international members of the press. Mr. Sumka and Mr. Krunz awarded eight certificates of appreciation to the project-formed ministerial trilateral committee members for their dedicated cooperation which allowed the first of approximately 300 Arabic and English informational road signs to be installed. In his remarks to the audience, Mr. Sumka opened with “This project demonstrates how the

Palestinian Authority (PA) is working to improve the quality of life for Palestinians in the West Bank,” and continued to state, “not only does this effort reflect the PA’s commitment to improve conditions for its people, but it also shows us that different PA institutions can cooperate effectively to achieve common goals.”

Road Repair Units (RRUs)

PACE discussed the number of RRUs needed with the Ministry and decided not to add units in the Jericho and Jenin areas. Initially, the Ministry suggested that there should be a unit for each governorate, however based on the costs of recent advancements and discussions with our partner, it was determined that staffing and equipping each governorate would not be an efficient use of resources. Therefore, PACE supported, and will continue to support, the three primary units (Ramallah, Nablus, and Hebron) to enable them to implement road repairs throughout the West Bank.

After respondents submitted their bids to supply the road repair material, PACE decided to develop three separate contracts for the Ramallah, Nablus, and Hebron units, which will allow the RRUs to purchase materials directly from the contractor. PACE signed a contract with Tareeti Company to supply road repair materials, such as base course, bitumen liquid, and asphalt. Additionally, PACE released an RFP to locally procure safety gear such as reflective vests and uniforms, shortwave radios, and GPS devices for the road repair unit staff.

PACE received the Ministry’s written approval for the draft specification for the excavator that will be used by the Nablus road repair unit (RRU). The excavator will be used to expedite future road repairs and maintenance work. Using the excavator will also enable the RRU to become more efficient, faster, and realize a more precise grading, which is important for road patching work.

Based on baseline assessment reports for the existing equipment and machinery at the RRUs, PACE called for a local subcontractor to repair and provide necessary maintenance for thirteen types of equipment and machinery such as steel rollers, dump trucks and front-end loaders. Accordingly, PACE received two bid proposals from local subcontractors and evaluated them in full coordination with MOPWH to determine the successful bidder.

PACE advanced the hiring of road repair unit labor through a meeting with the Ministry of Public Works and Housing (MOPWH) and the Emergency Jobs USAID funded Program implemented by CHF. Eighteen laborers will initially be hired to commence the first phase of PACE technically assisted, and Ministry implemented road repair and maintenance work, which is anticipated to start early next quarter.

Cold Asphalt Plant

The Ministry approved the final renovation design for the Nablus cold asphalt plant. Accordingly, a request to subcontract the renovation of the existing cold asphalt plant was released in late September. PACE initiated the bidding phase for the rehabilitation of the Nablus cold asphalt plant and released a request for proposal (RFP) to award a contract to a local firm to complete the work. It is expected that the bid will be awarded early next quarter.

Equipment Storage Facility

PACE received draft renovation designs for the Hebron equipment storage facility. The designs were reviewed with the Hebron road repair unit, which concluded that the unit will need to remove the debris from the site and obtain the neighbor's permission to permit construction of a higher building next to the residence. The Hebron RRU has demonstrated to PACE a strong commitment to refurbish the building as they have swiftly completed all the site work. The restoration of the storage facility is essential for the functionality of the Hebron road repair unit and is part of the project's interventions intended to create a sustainable and independently functional road repair cadre in the West Bank.

GIS Software and Orthophoto

PACE called for RFPs to provide the RRUs with appropriate and accurate new Aerial photos (Orthophoto) and GIS software, in order to support the RRUs improve its performance. The proposals have been received and PACE expects to complete the procurement process in the first quarter of 2010, with project implementation happening shortly thereafter.

Oversight Committee

Building on preliminary momentum established early this quarter to create this national committee for the oversight and standardization of road and highway specifications, PACE submitted for ministry review a one page summary that explains the importance and the need to establish the national committee and conducted a meeting with Chief of Staff Arnan Bashir to support the Ministry's plans to create the oversight committee, termed Uniform Road Construction Standards and Design committee. This committee will be responsible for the standardization of the current mix of road and highway standards. The meeting resulted in an agreement to have the Minister appoint Suliaman Injum to be the cochairman of committee and for the Ministry to solicit nominations from the ministries of Transportation and Local Government, the municipalities of Ramallah, Nablus, and Hebron, engineering syndicates, contractor unions, and active engineers in the community.

To begin the development of standard road and highway design specifications, PACE initiated discussions with the MOPWH and the MOT. The current design specifications are a mixture of Jordanian, American, British, and Israeli standards, which has caused inconsistent field work and a confused and disorganized design protocols. To initiate the needed support for the ministries in order to help resolve this issue and create a standardized set of specifications, standard terms of reference are being developed by

PACE and a local and expatriate short-term technical experts are being identified to assist in the completion of this work.

Training

PACE engaged a road maintenance technical consultant who implemented technical training, completed a literature review, and collected RRU data to incorporate into a future training plan. PACE delivered three training days to RRU staff from Ramallah, Hebron, and Nablus, where 16 RRU staff learned to identify 20 categories of faulty road conditions, common road maintenance diagnostic mistakes, and proper procedures to repair the identified conditions.

PACE also contacted ESRI, a GIS firm from the US to provide specialized training for staff of the MOPWH. The training will occur in the next quarter.

Other

PACE explained the road safety audit review process and the need to locate hazardous sites to the MOPWH. As a result, the Ministry agreed to solicit and compile a list of hazardous sites from the local road personnel. These sites will receive further consideration for inclusion in the pilot road safety audit review program. The Ministry's engineers stated that it will be necessary to first provide basic traffic engineering training before moving forward with the audit training. PACE will investigate the mechanisms needed to provide basic traffic engineering training next quarter and will continue to coordinate with the MOPWH to address their traffic engineering deficiency.

MINISTRY OF FINANCE

Income Tax Department

During this quarter, PACE completed a holistic assessment of the Ministry's income tax department. Income Tax Surge Advisor, Theresa Anton concluded her consultancy with a three and half hour presentation and dialogue session attended by Deputy Minister Mona Al-Masri and 30 management staff. Ms. Anton consulted and interviewed the group to receive the staffs' concluding commentary on the department's fundamental needs. Preliminary recommendations were presented and discussed with the attendees who stressed the need for management, staff evaluation, and ethics training. The Deputy Minister reiterated her commitment to support the recommendations, and stated "the project is on the right track. I'm happy with your findings and recommendations, and I'm also in complete agreement with them. I would like to see auditor/assessor training begin as soon as you can."

PACE responded to a request for a meeting from Deputy Minister Mona Al-Masri and further discussed the assessment findings as well as her apprehension with the current state of the income tax operations. Ms. Al-Masri appreciated that an unbiased evaluation was conducted by an impartial tax expert and expressed that her concerns corresponded to the tax specialist's findings. The meeting resulted in a greater understanding of the

internal organizational rifts and Ms. Al-Masri's concerns, which include: the Prime Minister's disillusion of the unproductive operations in place, high-level corruption, a tax code altered to conceal or legalize previous corrupt practices, legalized revenue collection rate reductions in particular industries to support certain political figures, and the manner the Palestinian Investment and Promotion Agency (PIPA) tightens government revenues. To continue this dialogue and attain further insight, PACE proposed a workshop for the Deputy Minister and her staff to present additional relevant issues.

PACE presented the findings and recommendations of the finalized income tax assessment to the Director General Hamzeh Zalloum and his staff. Agreement was reached to proceed according to the recommendations set out in the assessment, part of which include:

- Adoption of reorganized operational structure which includes multiple units with specialized functions aimed to enhance the department's taxpayer outreach, audit, analysis, investigation, and enforcement capabilities.
- Restructured hiring criteria/process with differentiated job descriptions to support the specialized units and positions within the department.
- Development of professional performance standards to introduce a system of incentives for exceptional performers.
- Asses gaps in current human resources capacity to create a training of trainers program to build necessary skills.
- Development and implementation of an operating procedures manual that will address auditing, collection, investigation and appeal.
- Delivery of specialized training courses such as insurance and banking taxation.
- Organizational restructuring of the department based on functions performed.



Renovation of the Ministry of Finance tax collection office in Hebron continued to move forward as PACE held on-site pre-bid meetings with the prospective contractors. This provided the contractors with an opportunity to clarify any specific design inquiries directly to the architect.

Architect Samah Osaily responds to a question from a contractor at a pre-bid conference.

Property Tax Department & Process Reengineering

PACE completed the first draft of the ‘as-is’ operating procedures manual which details streamlined delivery processes for approximately 18 work procedures and 13 property tax related services. PACE launched the first of a series of three ‘as is’ documentation and service identification workshops in the ministry. PACE also initiated the identification and documentation of fragmented services provided and the interrelated work procedures that support or hinder citizen-targeted services at the property tax department. Twenty-two managers and deputy managers from all 12 regional offices attended, in addition to Director General Mahmoud Nofal, who took two days off in order to attend and participate in the session. The participants engaged in an intensive three day dialogue session at eight hours per day and identified 13 core citizen services and uncovered numerous work procedure hindrances to efficient service delivery faced in the branch offices. Some of the issues identified that affect all the branch offices include:



- Lack of a unified approach to service delivery with each branch office implementing ad hoc policies and procedures for the same service.
- Lack of a common understanding of related laws and its application, which has affected implementation.
- The use of different forms, applications, and fees for the same service.

The workshop went beyond the identification of the service procedures and provided the property tax employees an opportunity to engage in constructive dialogue. When the workshop concluded the participants overwhelmingly recognized the value and need to unify the department’s procedures. “This is the first workshop that I have attended which actually provided me with applicable information. It should help us, and me specifically, to become more organized and in-line with the actual laws,” stated Muayad Dweikat, the internal audit supervisor for the Ramallah headquarters.

Training

PACE continued the Management and Communications Enhancement training, held August 8-16, with a six-day workshop attended by 20 mid-level managers from every property tax branch office in Palestine. The workshop provided and developed in-depth managerial skills and knowledge, equipped participants with the skill base necessary to apply learned management practices in the workplace and the ability to positively shift the participants’ management approach to become more subordinate friendly and citizen focused. The workshop balanced three days of theoretical management discourse with three days of applied on-the-job training. The specific subject matter presented at the workshop included:

- Effective managerial responsibilities and roles in context of the entire organization.

- Critical management success factors, such as self-awareness of management style, ethics, and the five M model (manpower, materials, money, methods, and milieu).
- Strategic management planning.
- Comprehensive reorganizational approaches.



Additionally, participants learned how to design strategic and management plans, define effective managerial visions, set realistic goals and objectives, prepare organizational charts and job descriptions, and were equipped with tools, such as the “human touch” and “six hat” models, to harness the abilities and capabilities of the employees in their respective offices.

Property Tax Director General Mahmoud Nofal launched the workshop and attended the first and fifth day. During the fifth day, participants openly discussed workplace problems with Mr. Nofal and presented him with a range of frustrations and administrative issues previously unknown to him; such as the lack of systemized procedures, equipment, and office space. Afterwards, Mr. Nofal promised to take immediate actions to begin to resolve the issues discussed and requested further training for senior and lower-level employees. During his observations, he stated, “We need curriculum like this; these courses should be continued in order for us to have a common understanding of [our] managerial issues at all levels.”

“I think this training provided us with a clearer idea as to how to maintain the momentum from the last workshop and clarified what role I will play in the change management that has started in my department,” said one attendee from the Hebron department.



The last three days of training were conducted in the field to physically feel and observe each workplace environment and assess each office’s respective equipment and space needs.

“This workshop made the ideas I had into a reality, and even though I had these ideas before, I never really put them into action,” one attendee stated and continued with “We learned how to listen to the citizens’ problems, and how to respond in an appropriate manner, simple

concepts really, which are never implemented in our office.” When asked how you will apply the concepts learned, Burhan Mashaqi from the Jenin branch replied, “I will 100% use this and I plan to refocus my management approach towards my employees. Usually, I’m relaxed but sometimes I tend to communicate loudly or with anger. I believe this training has allowed me to disassociate my ego when I talk to my employees.”

The workshop concluded with an award ceremony where the participants received certificates of completion. When the workshop concluded the participants overwhelmingly recognized the value and need to unify the department's procedures.



PALESTINIAN LAND AUTHORITY

Predominantly, PACE interventions this quarter focused on the renovation of the Jenin and Nablus land registration offices; the details of which are discussed below.

PLA advisor Saher Jallad confirmed PACE's training recommendations and officially approved training interventions for 20 land registration officers from Nablus and Jenin - 10 from each location. Based on the initial assessment which identified staff's limited computer literacy, in addition to Jenin office Manager Samer D'sooki's concern of, "the employees need to be properly trained before they take on any responsibility for new IT equipment, so the equipment will be used for actual PLA needs instead of just email," PACE agreed to procure the previously PLA-approved IT list (computers, scanners, photo copiers) on the precondition that training is accompanied with the equipment. Planned training interventions include the globally recognized International Computer Driving License (ICDL) program, which will ensure trained employees have basic computer skills.

A PACE identified contractor received access to the Jenin land registration (JLR) office from the PLA after the latter finalized internal bureaucratic formalities with the Ministry of Public Works and Housing (MOPWH). Accordingly, PACE facilitated discussions with PLA Chairman Nadim Barahmeh, PLA advisor Saher Jallad, Jenin office Manager Sameer Dsoki, and renovation work was initiated at the JLR.

PACE received written approval from the landlord of the Nablus land registration office to remove the identified walls that hinder service delivery. Accordingly, PACE discussed the final designs with the Chairman of the PLA and received written approval to proceed with the renovations. PACE submitted the approved designs to the interior designer and the electromechanical engineer to incorporate the changes into finalized electromechanical plan, blueprints, and a bill of quantities.

PACE received the finalized blueprint designs for the Nablus land registration office (NLR). The blueprints are designed to increase service efficiency, productivity, and transparency. The Palestinian Land Authority approved the detailed architectural designs

and the electromechanical plan. PACE will review the blueprints, and upon approval, the next renovation phase will be commenced with the selection process for a contractor initiated.

PACE continued to try to introduce the COE methodology as a driver of organizational capacity building to the PLA leadership. The PLA leadership has not shown any interest to instigate internal change or to receive further technical assistance. Therefore PACE will be examining the role of the PLA in interventions for years two and three of the project with USAID.

MINISTRY OF INERIOR

Tubas Civil Affairs office

The project continued to assess the operations of the Ministry's branch office in Tubas and identified numerous service delivery gaps in the Civil Affairs department. The entire operation, manned by seven employees, was considerably inefficient and lacked the necessary resources to provide basic services to the 70,000 Palestinians it serves. Previously, all applications were first sent to Jenin (40 km away) for processing and then returned to Tubas for distribution.



The application is now scanned directly into the new system.

Deputy Assistant Minister Yousef Harb requested assistance to rapidly address Palestinians' frustrations with the poor services provided in Tubas office. Accordingly, PACE procured and delivered three computers, three printers, and one scanner within 10 days. The Tubas office was reopened with a coordinated media campaign which introduced the Ministry to our planned communication capacity interventions and helped them understand the need for strategic communication.

Seventy citizens and every government institution in the Tubas area attended the media event including the Governor, and non-governmental organizations. The citizens who attended thanked the PA for recognizing their needs and for the public event. PACE also received great praise from the MOI leadership as they expressed sincere gratitude for the prompt support.

The Ministry now has the capacity to adequately service the Tubas population, with an application process that can now be completed in one day. One citizen said, "I can't believe I submitted an application and received my ID in the same day. I was expecting at least two weeks. How did the PA do this, I don't know- it's great."

The following media sources covered the Tubas event: Al-Ayyam newspaper, Palestinian News Agency, Maan News Agency, Al-Quds newspaper and two local radio

stations in Jenin: Radio Al-Balad and Al-Ahlam. The Director of the Tubas office, Ous Shraim, was interviewed on both stations' morning shows, and stated "This was a needed upgrade for the office services which enabled us to serve the citizens instead acting like a post office."



After the application is uploaded into the Tubas system it is verified with the Ramallah database and printed.



The citizen now receives his documents in roughly 20 minutes.

Jenin & Hebron Civil Affairs Offices

PACE finalized the preliminary designs and received approval from the ministry to initiate interventions in the Jenin and Hebron civil affairs offices including an overhauled service area, air conditioning, a queuing system, and new furniture/equipment. PACE released tenders for IT and furniture procurement and will carry out necessary evaluation and submit waiver requests for USAID during the next quarter. Also, during the next quarter, PACE will release renovation tender documents and make the final selection on a suitable contractor. Successful completion of planned interventions will complement PACE's objective of improving the public's perception of the PA.

To reduce the burden on citizens of having to pursue multiple forms from various geographically distant ministries to finalize government transactions, PACE agreed to support efforts by the ministry to create a centralized population database which will contain all citizen information. This integrated system will enable citizens to go directly to the institution needed to complete a desired service. PACE concluded several meetings with the 'National Committee for the Review and Update of Palestinian Population Register, which is a multi-ministerial committee responsible for reviewing and expanding the centralized citizen database. Final agreement was reached in September 2009 that PACE will assess the needs of the committee and accordingly develop an action plan and engage a consultancy firm to streamline citizen services delivered, integrate operating procedures, and identify managerial, technical, and legal systems needed to renew and expand inhabitants' database records.



Substandard structural conditions create an environment for poor service delivery and low citizen satisfaction.



Lack of proper storage and archiving facilities translates into poor service quality.

Process Reengineering

To build the Ministry's internal capacity to manage reprocessing interventions and improve the quality of services, PACE launched a series of service process reengineering workshops. The primary objectives of the events were to:

- Build one core cross-functional MOI reengineering team to drive the redesign process.
- Identify fragmented services delivered within and across the Ministry so they can be reconstructed and streamlined to minimize inefficiencies.
- Collect organizational structure, procedural, and job specific data for the creation of an operations procedures manual.

To that end, 63 core citizen services and 65 delivery procedures, in 13 regional offices, were identified and sequenced for streamlined delivery, specifically how the citizen applies for birth certificate, IDs, passport issuance and renewal, change of address, death certificates, and marriage status, the time each services takes before completion, and the documents needed to accompany each application.

To build sustained ministry capacity to properly assess, redesign, and streamline service delivery processes as necessary, PACE reached an agreement with the ministry leadership by which 22 ministry staff representing all regional offices received training on how to conduct processes assessments and started to work closely with PACE in all the as project's reengineering support.

To solidify reengineering concepts learned this quarter, a concluding interactive training was conducted where 26 participants from every MOI service related department. The three-day workshop trained the attendees on how to reprocess delivered services through interactive lectures, exercises, and games. In one module each participant was given a pipe with a varying shape and asked to work as a one unit to attain the most efficient sequence possible for a ball to traverse it. This team building and learning exercises simulated the interconnectedness of the service delivery framework and the effects of bottlenecks in the process flow. One participant stated, "We had a chance to learn the concepts, then directly apply them. It wasn't boring because of the exercises and the games."

Twenty-two Ministry of Interior employees from the core reengineering team concluded the final phase of the "as is" process reengineering. The participants were orientated to more advanced reengineering concepts and continued to learn how to apply theoretical subject matter to their respective department needs. A draft operating procedures manual was produced that is sourced with reengineered procedures from the workshop. PACE typed the handwritten work procedures identified from all the 'as is' workshops and produced the above mentioned draft manual of the sequenced 65 core Ministry service work procedures. To utilize the process identification concepts learned during the previous workshops, PACE allocated to the Ministry's cross-functional reengineering team the responsibility to analyze and authenticate that the sequenced procedures are reflective and representative of the actual procedures executed in the Ministry. The team

verified each service procedure being delivered and modified the draft manual to reflect the realities in the field.



COMMUNICATIONS ASSISTANCE

The PACE project utilizes two central venues for delivering communications assistance. Project communication focuses on internal and external audience delivery mechanisms such as media campaigns, multimedia production including video and photography, a project website, television and newspaper spots and more. PACE communication interventions, in contrast, focus purely on improving the communications mechanisms within the targeted ministries. The following two sections describe the accomplishments in regards to both areas during the fourth quarter.

Project Communication: Media Campaign and External Communications

For internal audiences, the project is working with the Media Plus Company to design and produce a local media campaign to support the project objectives in strengthening public institutions and improving the services they provide by building upon the current competency of these institutions, focusing on the values of achieving substantial results, and increasing citizen satisfaction.

The campaign will use cartoon characters to deliver messages to the public and partners in the project. These characters will appear in 2D animation episodes, radio episodes, newspapers ads, and electronic media. The campaign will demonstrate the need for strengthening public institutions and improving the services they provide to the citizens as well as facilitating the change in public perceptions on the quality of services of the government institutions and employees. Through this campaign PACE is hoping to encourage institutions to adopt the culture of excellence and facilitate the implementation of organizational change, and help build momentum and excitement for it.

For external audiences, PACE has developed a project introductory video that was posted on the USAID/West Bank and Gaza website, YouTube, Yahoo! Video and others. The video has been presented in various formats including USG donor meetings as well as USAID communications strategy meetings. The video is one example of a larger

objective that PACE will be delivering a steady stream of communications to internal and external audiences in various formats. During this quarter, PACE received approval for and began development of a project website that will house all of the project success stories, videos, photographs and other content for the public. The website, expected to be completed in the next quarter, will also house a password-protected document library for USAID to view at any time any final deliverable.

Communication interventions:

PACE interventions in the targeted ministries include a focus on improving the internal communications from within so as to facilitate an enhanced public image of services provided to citizens. PACE conducted a review of existing public outreach plans for partner ministries to provide guidance and make recommendations to ensure these can be swiftly put in practice. In cooperation with the teams at the ministries, the project assessed the challenges in existing communications and outreach programs. The PACE communications team provided recommendations and coaching to further develop the partner team's understanding to embark on public outreach activities.

Two examples of partner ministry teams working together with PACE on improved outreach campaigns are in the re-launch of the Palestinian Post services and the promotion of "Road Safety" as a concept with the MOT and the Traffic Safety Council. Both require considerable thought and guidance into how best to work with the public to improve the mail system and the roads, while, at the same time, showing tangible results from the government that build confidence in the Palestinian Authority.

PACE is also working with the ministries to identify, design and implement workshops and on-the-job training for senior communications and media staff to develop their skills on a variety of demand-driven issues. One example of this is the training that the PACE communications team conducted with representatives of media departments from partner ministries on how to design and write strategic communication plans.

The PACE team reviewed the ministry hosted websites to identify areas of improvement and provide concrete recommendations for better design and ease of use by the public. One example is the MOPWH website that will be launched in the next quarter. PACE assisted by working with the staff of the ministry PR department in providing training on managing the website.

PACE is reviewing various types of publications at different Ministries, including newsletters, brochures, and quarterly magazines. The idea is to improve the quality of informational tools delivered to citizens. Two examples of PACE assistance this quarter are the brochures which are being developed on the Palestinian Postal services as well as the "how to obtain an Ambulance driving license" brochure from the Ministry of Transportation. Both brochures received considerable feedback and suggestions from the PACE team and the support was well received from both partner ministries.

PACE drafted a preliminary communication strategy for the MOF Property Department and presented an outline for review to Director General Mahmoud Nofal. A meeting conducted with PACE short-term communications consultant Walid Batrawi and Mr. Nofal emphasized the importance of public outreach and resulted in agreement that Ministry service provisions include a strategy for citizen-focused communication. Mr.

Nofal expressed his appreciation that PACE is developing a procedures manual to clarify to the citizens the processes and documents required to receive services from the property tax department, and stated “Most of the citizens and sometimes the staff, don’t know or understand the procedures that need to be followed in this department. A user-friendly procedures manual will be very helpful.”

PACE continued to support the MOPWH’s internal communication team throughout the quarter and provided logistical assistance on how to conduct a needs assessment. Once the Ministry’s self-assessment capacity is understood, PACE will support the enhancement of their communications plan.

To ground truth preliminary communication interventions with the MOT, PACE assessed the Ministry’s communication capacity, gaps, and preliminary needs through a meeting conducted with short-term communications consultant Walid Batrawi and the Ministry’s communications team. The meeting revealed an encouraging staff spirit that acknowledged the importance of strategic communication. The first priority identified was to support the Ministry with the development of a tailored communications plan. Accordingly, PACE conducted a workshop in September to facilitate the plan’s development. The other preliminary communication gaps identified are related to the Ministry’s website, postal service public outreach, and other ministry outreach campaigns conducted through the post office.

To demonstrate the current campaigns and plans under development per ministry, please see the following table:

Ministry	Type of support provided in Q4 2009:
<i>MTIT</i>	Re-launching of the Palestinian Post office services. Ministry’s long-term communication plan.
<i>MOT</i>	Ministry’s long-term communication plan. Road Safety Campaign.
<i>MOF</i>	Property Tax Collection Campaign.
<i>MOPWH</i>	Ministry’s long-term communication plan. Ministry’s training plan.
<i>MOI</i>	Ministry’s long-term communication plan.

TRAINING INTERVENTIONS

PACE trained a total of 304 public employees this quarter, 82 females and 222 males, to reinforce and enhance the ministries' service delivery capacity.

To support and meet the ministries and projects' training needs more efficiently, PACE created a short-list of qualified training providers within the West Bank and developed a database of capable training consultants and vendors with pre-negotiated rates. A training vendor orientation was conducted and attended by 53 training consultants and 55 private firms during which PACE explained various ministry training needs, eligibility requirements, and instructions on how to respond to the request for pre-qualification.

Cross-ministry Training

PACE and the customer relations trainer conducted an interactive assessment and learning session to understand the specific customer relations training needs for the ministries of Finance, Interior, Public Works and Housing, and Transportation. Based on the assessment, training programs were tailored to address the variant working environments of the 24 customer relations officers within the ministries.



PACE designed and implemented a three-day workshop titled "Training for Performance," which went beyond traditional train-the-trainer programs and included not only facilitation and instructional techniques, but also developed the participants' skills/knowledge in the areas of performance diagnosis, conducting needs assessments, using instructional design systems to implement training solutions, evaluating training programs and participant reactions, knowledge acquisition, and skill implementation impact on ministerial levels. The content presented is supported by a manual that was distributed, covering all of these topics and others in more detail, as well as a trainers' toolkit CD with over 60 resources and methods for performance improvement.

Twenty-nine participants from the ministries of Interior, Transportation, and Finance, all of whom recruited on the basis of their training responsibilities within the ministries and willingness to learn, engaged in individual and group work sessions. The work groups established performance improvement solutions for their respective ministry-specific needs. In addition to the ministry-specific training interventions produced, participants also delivered 6 minute presentations, received peer feedback and instructor coaching, and were videotaped for further self analysis. Pre and post-assessments were administered to assess the participants' understanding of the instructional system designs and the performance improvement methodologies presented. The participants average

score increased by 25% when the workshop concluded; +4.3 point increase on a 17 point scale. In general, participants requested more support, both in terms of resources and training from the project for institutionalized training and performance improvement programs within their ministries.

Below is a summary of the training PACE conducted this quarter.

Training PACE Administered in the 4th Quarter

Title of Event/Training	Goal Of event	Target Institution	Duration & Date	Attendees		
				Total	Male	Female
Training Course in Public Relations	The overall of this assignment was to introduce innovative and hands-on concepts, strategies, and tools to PA staff managing public relations departments and units. This will result in bolstering their skills and knowledge to design and implement effective public relations strategies and build dynamic relationships with both media apparatuses as well as the public	PA Staff working in public relations departments and units	5 Days July 10-14	17	12	5
Training Course in Management	This is a training course in management for Tax Properties. The overall purpose of this assignment was to enhance the management, strategic planning, problem solving, monitoring and evaluation, reporting and documentation skills for operations managers supervising property tax district offices.	Tax Properties MOF Staff	5 Days July 25-28	20	19	1
Orientation Workshop for individual Consultants and Companies	This workshop aimed at introducing the consultants (firms and individuals) about PACE conditions and standards. It introduced participants to the following: 1. description of PACE's training standards 2. List the roles and expectations of training service providers for PACE 3. Explanantion of the processes for applying to work with PACE as a training service provider 4. List the next steps for sub,itting an application to PACE 5. Describe PACE's training standards 6. List the roles and expectations of training service prproviders for	Consultants (firms and individuals)	1 Day July 16	51	39	12
Orientation Workshop for the Grants	This workshop aimed at introducing CSOs to PACE project the role of the CSOs and the procedures of the Grants part	CSOs	1 Day July 2	30	17	13
TOT Performance Workshop	This training included three training days on training of trainers for 25 potential trainers at the MOT, MOPHW, and MOI. The workshop consisted of two parts; a planning session and the three days training. The planning session aimed at helping the trainees to get to know each other, explain the objectives of the training for the TOT perfromance workshop, share expectations of the workshop, and describe how they see their roles in the ministry and discuss training strengths and areas where participants would like more information.	Staff from the MOT, MOPWH, MOI	4 Days July 21 + July 26,27,28	30	17	13
Centers of Excellence Workshop	This workshop aimed at introducing the Public Sector about the COE concepts and themes. The workshop included all the partners along with the different potential partners	Partners and Stakeholders	3 Days July 28-30	65	50	15
Management Training	This Workshop Aimed to empower and Improve the management skills of the MOF employees to help them respond more quickly and effeciently.	MOF, Election committee	3 Days Sept 13-15	19	14	5
Monetoring and evaluation Workshop for CSO's	To train 12 civil society organizations on monitoring and evaluation and the logical frame work approach and to work with them on preparing their M&E plans	CSO's	1 Day Sep 27	19	11	8
Property Tax	This is a training course in management for Tax Properties. The overall purpose of this assignment was to enhance the management, strategic planning, problem solving, monitoring and evaluation, reporting and documentation skills for operations managers supervising property tax district offices.	MOF	3 Days Sep28-30	22	19	3
Training Course in Management	This is a training course in management for Tax Properties. The overall purpose of this assignment was to enhance the management, strategic planning, problem solving, monitoring and evaluation, reporting and documentation skills for operations managers supervising property tax district offices.	Tax Properties MOF Staff	3 Days Aug 9-11	22	20	2
Total trainees				304	222	82

CENTERS OF EXCELLENCE



Prime Minister Salam Fayyad and USAID Mission Director Howard Sumka joined PACE to inaugurate and launch the project's primary capacity enhancement activity for year's two and three – The Centers of Excellence (COE). The Prime Minister addressed the audience and asserted his commitment to support the ministries' organizational reform goals. In his remarks about the workshop, Dr. Fayyad stated “First of all, this program underlines what this Authority is about, which is to provide services to the Palestinian citizen. This program, and the way it's designed, reinforces our objectives – we are committed to upgrading the PA's capacity to deliver quality services to citizens.”

Over 65 individuals attended the workshop, held July 29-30, from the Ministries of Transportation, Interior, Public Works and Housing, Finance, Planning, and Health, in addition to representatives from USAID, the Council of Ministries, Higher Council of Traffic, the Applied Research Institute of Jerusalem, and the Economic Social Development Center. Jordanian representatives from Excellence Inc, Social Security Corporation, Jordanian Ministry of Transportation, and the Greater Amman Municipality were present via a live teleconference.

A participatory approach was applied, and discussions and work groups rather than lectures were emphasized. Participants provided most of the information for discussion, identified the problems to be discussed, suggested follow-up ideas for further consideration, and engaged in reform dialogue with Jordanian COE practitioners and other Palestinian ministry reform efforts. PACE worked to secure the attendance of qualified individuals at the workshop through months of logistical preparation, personal interviews, and leadership engagement which identified ministry staff with a demonstrated commitment to participate in all aspects of organizational reform and a commitment to work on further capacity interventions upon return to their ministry.

Shortly after the workshop convened, Prime Minister Salam Fayyad and USAID Mission Director Howard Sumka addressed the audience and stressed the importance of citizen-focused participatory organizational reform to improve services provided to Palestinians through broader employee participation; in addition to their commitment to support the achievement of each ministry's organizational reform goals. The Prime Minister expressed his confidence in the Centers of Excellence program while he addressed the gathering and asserted, “After I read the COE guidebook, I firmly believe that this approach [COE] will certainly enhance your organizational efficiency and improve your ability to deliver quality services if implemented properly.”



Prime Minister Salaam Fayyad and USAID Mission Director officially inaugurated the workshop and expressed hope that it will bring about concrete plans for the ministries organizational reform development.

The workshop formally introduced the COE program and methodologies to the implementing ministry teams and developed preliminary guidelines that initiated COE organizational reform interventions.



The Centers of Excellence team leader at the Ministry of Interior, Hassan Alawi, expressed his confidence in the program and stated “This is actually a great concept that needs to be applied in the Ministry. I am a firm believer that true change will come only from a reformed organizational culture so I truly appreciate what was presented today. However I must say that this will be an extensive process requiring continuous support - I am very interested in moving beyond the introductory phase.”

The first day presented the enhanced services achieved from the Jordanian COE experience and concluded with a presentation on the organizational reform efforts implemented in the PA Ministry of Health. The workshop was organized in following phases: introductory briefing to COE concepts; ministry team ownership and buy-in demonstrated through senior level commitment, including the Prime Minister and Mission Director’s expressed emphasis that “pure technical assistance is no longer accepted as the only answer to development problems;” critical self examination of the existing organizational set-up and of past reform experiences; shared discussions on various options for practical reform approach; planned ministry-based reform

interventions; and continuous reform dialogue with Jordanian COE practitioners and other Palestinian ministry reform efforts.

Transportation Minister Sa'di Al-Krunz introduced the Jordanian delegates to the audience and expressed his sincere gratitude for their support and his aspiration to build future working relationships with the hopes of one day meeting in Palestine. Jordanian delegates were denied entry into Israel, therefore PACE implemented a teleconference contingency plan which enabled the Jordains to be present via a live broadcasted video conference.

Increased levels of energy from the workshop were maintained through debriefing meetings with the ministries' management staff, which discussed essential next steps for sustained COE momentum.

PACE developed short-term supplementary COE activities designed to facilitate team formation, observable leadership commitment, and lay the foundation for year-two and three institutional reform interventions to which COE activities will be correlated with the ministries strategic plans. Additionally, PACE held a dialogue forum with four COE team representatives from the ministries of Public Works and Housing, Finance, Telecommunications, and Interior. Discussions generated ministry-specific, and Palestinian-context tailored revisions for the COE guidebook. To assist ministry staff in their initiation of the excellence model, participants discussed the direct and preliminary needs of the COE implementing staff. The agreed-upon revisions will be evaluated and integrated into the updated guidebook.

Ministry of Transportation



PACE launched the Centers of Excellence program in the Ministry during a meeting held with the Minister-appointed COE team. Nineteen ministry staff members attended the presentation, which introduced the PACE project and its objectives and gave the participants an overview of what the COE program is, in addition to the planned upcoming organizational reform interventions. The group meeting was launched with a round of introductions since the participants were not acquainted with each other, coming from varying departments throughout the Ministry.

To solicit the participants' buy-in and demonstrate the executive office's commitment to the COE program, PACE showed the team the speeches of Minister Sa'di Al- Krunz and Prime Minister Salam Fayyad from the Jericho workshop. During the presentation, PACE explained how reform work will be divided and allocated within the team to maximize efficiency, clarified the need for training and the importance of the guidebook, and presented the preliminary next steps that need to be accomplished.

The Minister informed PACE that 25% of his time will be dedicated to push the COE program forward. As the presentation concluded, the participants from Jericho expressed sincere commitment to their newly appointed peers, which is evidenced by the following statement, “We are dedicated to making true change. So if anyone of you feels that this might be too much for you to handle, speak now so we can find a replacement.” PACE will conduct biweekly COE meetings with the team and monthly meetings with the Minister to ensure interventions proceed as intended.

Ministry of Telecommunications and Information Technology

Twenty ministry employees and Minister Abu Dakka attended an introductory Centers of Excellence (COE) presentation in September. PACE introduced the general concepts of



COE reform; the five fundamental COE criteria; the potential benefits to be gained from participatory reform; as well as the roles and responsibilities of potential COE team members. In his opening remarks to his staff the Minister stated, “From my previous experience working with [the PACE team] at the Ministry of Transportation, they are a very efficient unit who tend to respond very quickly” and stressed “That is how I want to see you become to their requests. True organizational reform comes from within,”

asserted Dr. Abu Dakka who continued with thanking USAID for the fact that it respected and responded to his request to supply technical assistance through the PACE project.

Ministry of Finance

PACE conducted a COE presentation at the Ministry of Finance with Deputy Minister Mona Al-Masri and 20 General Directors for over two hours. The presentation introduced COE methodologies and explained the benefits and demands of participatory, internally-driven organizational reform. The director of auditing was initially resistant to the COE concept; however towards the end of the presentation he stated, “Now I understand that my work as an auditor is actually already an integral part of the overall ‘excellence’ culture you’re talking about. People are usually afraid of the audit, but I think if the COE program is implemented successfully, people will begin to audit themselves and it will become part of the culture. The staff may actually stop hiding their achievements.”



PACE explains COE methodologies to the Deputy Minister and 20 Director Generals

PACE gave the participants an opportunity to further discuss COE concepts amongst themselves, the selection of internal COE team members, and the logistics of the Ministry's participation in the Jericho workshop. Participants requested training and further explanation on how to create an 'excellence' culture inside the Ministry. Additionally, Mrs. Al-Masri informed PACE that when the Prime Minister was introduced to the COE concept during a meeting he expressed interest in the program.

To ensure more buy-in for the COE program, PACE met with Director General of International Relations, Mazen Jadallah who said, "I have been looking for a program [COE] like this for years," and asserted that he will lend his credibility to the program and will remove any obstacles encountered by conveying concerns that arise directly to the Prime Minister when necessary. However he is too busy to play an official role. Additionally, Mr. Jadallah unofficially appointed the Deputy Assistant, Basel Attia Ramahi, to be the COE team leader. PACE conducted a meeting with Mr. Ramahi and explained the scope of PACE's interventions with the Ministry thus far and the implications of his role as team leader.

Ministry of Public Works and Housing

USAID attended a COE presentation where the Minister of Public Works and Housing, Mohammed Ishtyeh, was introduced to the Centers of Excellence (COE). The Minister conferred his eagerness to engage the program in the Ministry, and assured PACE the selection of the MOPWH-COE team will work to ensure the success of the program. To assist our partner, PACE sent the Ministry documents on effective team selection, working arrangements, and COE implementation guidelines.

Increased levels of energy from the Jericho workshop were maintained through a debriefing meeting with the Ministry's management staff which discussed essential next steps for sustained COE momentum. PACE developed short-term supplementary COE activities designed to facilitate team formation, observable leadership commitment, and lay the foundation for year-two and three institutional reform interventions to which COE interventions will be correlated with the Ministry's strategic plan.

Ministry of Interior

The MOI was introduced to the COE approach and momentum has been built from positions of leadership all the way through the management structure of the ministry. The orientation workshop on COE was successful in developing the concepts of change management and team building. PACE has supported the formation of COE teams and the first cycle of advanced training began by the end of the quarter. PACE expects to begin having tangible as the first phase of the COE approach is implemented in the ministry during the next quarter.

GRANTS PROGRAM

PACE issued the first request for application (RFA) to 21 Civil Society Organizations (CSO) early this quarter. Civil Society Organizations received a full package of information including the English and Arabic versions of the RFA, in addition to a grants summary and evaluation forms. To further support prospective CSO's understanding of proper procedures needed for submission and the project's concept paper needs, PACE conducted an introductory pre-submission workshop for the RFA released, where 15 out of the 21 invited CSOs attended. PACE presented the main objectives of the project and the grants program, the role CSOs will take to build the capacity of the PA, potential capacity building opportunities, and grants evaluation criteria. Additionally, PACE discussed how the CSOs can work under the grants program through public awareness, policy development, training and advocacy. PACE then engaged in a question and answer session, vetting, procurement requirements, gender-related issues, and the possibility to work with security forces were amongst the topics discussed.



PACE Grants Manager addresses 15 CSO representatives and introduced the projects grants program.

In response to the first RFA, PACE grants evaluation committee received and evaluated 18 concept papers submitted by 18 CSOs. The committee determined that 13 out of the

18 concept papers warrant full development and subsequently prepared a summary matrix on PACE overall recommendations for USAID approval. Based on USAID consent and recommendations of August 20, PACE coordinated with partner USAID programs including Internews and CARANA and worked closely with 12 CSOs to develop and review various drafts of their full applications. PACE will finalize full applications, submit grants summary information for USAID approval and commence grant implementation during the next quarter.

Vetting requests for all 12 CSOs were submitted and approved by USAID. PACE also conducted pre-award surveys for Applied Research Institute (ARIJ), Economic Social Development (ESDC), and AMIN to gauge their financial and management capacity to manage and implement PACE grants adequately. As a result, PACE determined that the three CSOs have the capacity to financially manage prospective grants. PACE plans to conduct pre-award surveys for all partners CSOs during the next quarter.

To build the capacity of prospective grant recipients to comply with the project's and USAID's M&E requirements, PACE conducted a monitoring and evaluation (M&E) workshop. Twenty representatives from eleven CSOs attended the one day session and learned USAID's results framework approach, the importance of performance indicators, accurate data collection techniques, in addition to effective M&E planning. Additionally, the workshop helped the CSOs understand the reasons behind the grant application modifications requested and provided an opportunity for the participants to directly discuss and receive feedback on their proposed M&E plans.

MEETINGS WITH OTHER DONORS AND OTHER USAID PROJECTS

To further activate and enhance cooperation with Internews, PACE responded to a direct request from USAID and conducted a meeting with Business and Media Expert Mamour Matar and Media Expert Abed Samara. The projects agreed to combine synergies to advance the capacity of targeted media organizations under Internews' scope and to simultaneously increase public awareness about PACE's capacity enhancements achieved in the ministries.

PACE advanced the Higher Council of Traffic's objective of improved crash data collection this quarter through an agreement with the Palestinian Youth Empowerment Program, RUWWAD. If approval is received from the Ministry of the Interior, PACE will provide the necessary manpower through the RUWWAD project and code the previous road crashes from 2006 through 2008 for inclusion in the crash database being developed. This work is similar in nature to what RUWWAD is currently undertaking for the Ministry of Justice. PACE requested that the Council make an official appeal to the Ministry of Interior (MOI) to grant them access to the previous crash records.

The Philistia Foundation, part of the PalTel Group, maintains an award program for excellence which possibly may be incorporated into PACE's sustainably-focused COE support. PACE discussed cooperation with the foundation and the potential use of

Philistia's award program for 'excellence and creativity.' PACE will further explore the feasibility of utilizing the award program with our partners.

Preparations for the July COE leadership workshop were made in part with collaboration efforts with the Flagship project, and also with Excellence Inc, a Jordanian based NGO,. PACE strategized with our two counterparts to produce a presentation for the workshop that effectively communicated the benefits and demands of participatory, internally-driven organizational reform. During the meetings, PACE was informed that the Ministry of Planning and Administrative Development (MOPAD) is concerned that COE interventions may interfere with the Palestinian Reform and Development Plan (PRDP). To elevate the MOPAD's concerns and address their questions, a meeting was conducted with the Director General and the Assistant Director, Dr. Cairo Arafat and Lourdis Habash, respectively. PACE assured the MOPAD that the project will meet with the PRDP's primary coordinator and ensure both programs are harmonized to progress as efficiently and effectively as possible, complement each other when necessary, and avoid the Ministry's concerns of overlap.

The Flagship project collaborated with PACE this quarter to include the Ministry of Health (MOH) in our 'Management and Communication Skills Upgrading' training course. By way of Flagship, two participants from the MOH attended the training. The constructive benefits produced from the successfully delivered 'Management and Communications Skills Enhancement' workshop prompted the property tax department to request continued training for mid-level management. Three committee members from the Palestinian Election Committee were included in the training at the request of USAID's IFES project. Accordingly, PACE continued the 'Management and Communications Enhancement' training with another three day workshop attended by 19 mid-level managers from every property tax branch office in Palestine.

CHALLENGES AND PACE RESPONSE

PACE conducted a meeting with Ministry of Finance Deputy Minister Mona Al-Masri, which updated her on the progress achieved thus far in the Ministry. Ms. Al-Masri expressed her contentment with the progress achieved and informed PACE that ensuing clear instruction from Prime Minister Salam Fayyad, the Ministry will need to postpone the project-supported renovation of the Ramallah property tax office. The Prime Minister has initiated a campaign to unify internal resources within the Ministry, which will combine four departments (income tax, property tax, value added tax, and customs) into one building. The relocation is expected to be finalized by the end the next quarter.

After the ortho-photograph request for quotation was issued, one contractor expressed to PACE that the specifications were too restrictive. The specifications, developed in conjunction with the Ministries of Public Works and Housing, Planning, Transportation and USAID's GIS technical staff, and are designed to meet the specialized needs of the Ministry. To address the concerns that surfaced, PACE conducted numerous stakeholder meetings in which it was determined that the Ministry will require more detailed aerial photograph specifications for the ortho-photograph than previously anticipated. Accordingly, PACE revised the specifications to better meet their needs and rereleased

another RFP. The ortho-photograph will enhance the Ministry's capacity to map and identify needed road repairs and progress, and will be integrated into the new GIS system. The system will establish a centralized database in Ramallah of road work and repairs and will allow the road repair units and all stakeholders access to the database. Ultimately, the entire road network will be uploaded into the system and will provide information on road maintenance progress.

Approximately one hour after the signage event, PACE submitted a press release with pictures attached to roughly 100 local, regional, and international media outlets. However, a few media sources misrepresented the facts of the event and falsely reported that the project was "uprooting" Hebrew language signs for them to be replaced with Arabic and English only signs. The error in reporting originated from an Associated Press (AP) article which was used as the source for several international reports of the event. PACE contacted the AP reporter, Muhammed Doragmi, to learn the reason for the misrepresentation. Mr. Darogmi apologized for the mistake and assured PACE that the story will be retracted. According to Mr. Darogmi, the mistake seems to have resulted from a translation error from the AP editorial desk in New York. The story was correctly covered by all other media outlets with positive coverage of the event mentioned in Al – Ayyam, Al-Quds, Al Hayat Al Jadeeda, Palestinian News Network, Maan News Agency, Wafa News Agency, and Ajyal radio.

PACE conducted meetings with the RRUs and CHF, and concluded that the time required to hire and train road repair unit labor in addition to the time needed to acquire the required equipment and materials will postpone the estimated time for the RRUs to become fully functional. After the procurement processes and the time CHF needs to finalize their internal processes were taken into consideration, it is estimated that the RRUs will become fully operational in the next quarter.

Technical meetings this quarter discussed lessons learned from the MOPWH engineers' failed management of the Ramallah signage assignment. Initial agreements anticipated that the contractor, accompanied by the MOPWH and the MOT, would map and quantify the number of signs to be manufactured. However, the MOPWH unexpectedly refused to participate after a junior ministry representative insisted the Ministry would not move forward without a copy of the actual contract signed between PACE and the winning open bidder. To ensure sign installations advanced promptly, PACE addressed the issue directly with Minister Mohammed Ishtyeh for him to clarify the information that may be shared to his staff.

Annex I: Year One Summary of Activities

October 2009 marked the end of the first contract year of the PA Capacity Enhancement project. Overall the project achieved its primary objectives, delivering tangible impact while setting the stage for project medium-term goals for improved institutional capacity of our partner institutions. The project focused on building the capacity of the PA to improve citizen service delivery and sought out opportunities to improve the interface between citizens and the PA. This was achieved by upgrading select citizen service offices across the West Bank, providing functional furniture for waiting areas and IT improvements. PACE simultaneously worked to bolster the skills of PA staff through training, improving the capability of our partners to deliver government services efficiently, communicate effectively with the public through strategic communication development, while bringing needed change management tools online, such a process reengineering and organizational development reforms.

Initially PACE partnered with the Palestinian Land Authority (PLA), the State Audit and Administrative Control Bureau (SAACB), Ministries of Public Works and Housing (MOPWH), Transportation (MOT) and Finance (MOF). The SAACB and PACE mutually agreed the goals of the project did not support the SAACB's priorities and work with it was terminated in February 2009. At the request of the PA, and in consultation with USAID, the project replaced the SAACB with the civil affairs division of the Ministry of Interior (MOI) in May 2009. PACE added a sixth and final year one partner in August 2009 after USAID received a direct request from the Minister of Telecommunications and Information Technology (MTIT) for capacity enhancement technical assistance from the project.

PACE underwent a change in leadership during the first year, with the initial COP departing in mid January 2009 due to family-related health issues. A new COP arrived to lead the project in early February 2009. The DCOP also left the project in February 2009 after which the new COP retooled the organizational structure of the project to maximize results and complement the new set of skills in place on the project.

All project documents, including year one and three year work plans, Performance Management Plan (PMP), grants manual, and the office procedural manual were all amended and submitted to USAID by the end of March 2009. All contract required reports were delivered in a timely manner. At the request of USAID, monthly reports were replaced by weekly reports in the third quarter of the contract year.

Project activities were not affected by the government's decision to make significant cabinet changes in May 2009.

Activities and Achievements.

Implementation of technical assistance did not initially progress as quickly as was originally envisioned. One of the reasons for this was the launch of the military incursion,

Cast Lead, by the Israeli government into Gaza in mid-December 2008. PACE also had to overcome, in this highly charged political environment, some misperceptions held by PA counterparts concerning how USAID delivers technical assistance as well as what the project could and could not do. PACE initially encountered an unanticipated and unhealthy competition between partner institutions as each tried to maximize individual assistance guarantees and project budget allocations. Project plans to negotiate and sign individual memorandums of understanding (MOU) with each partner institution only served to fuel this competition and contributed to severe delays in actually implementation of planned activities. This was collaboratively resolved in March 2009 with the signing of an umbrella MOU between USAID's Mission Director Howard Sumka, on behalf of USAID and PACE, and the Ministry of Planning (MOP) Samir Abdullah on behalf of the PA, including each and every PACE stakeholder.

With the MOU issue resolved, PACE quickly set out to achieve its work plan objectives, completing detailed action plans with each partner institution. Detailed action plans were negotiated and signed with each partner within 30 days and project activities exponentially increased over the remainder of the reporting period.

Ministry activity annual summaries include:

Ministry of Transportation. Activities primarily focused on improvements to the licensing bureaus, traffic safety council, staff training, and strategic communication development. Specific achievements included:

- Completion of renovation of the Ramallah Licensing Bureau
- Design and renovations of the Hebron and Nablus Licensing Bureaus initiated
- Procurement of IT, furniture, and other commodities to support renovations and process improvements initiated
- Operating 'as is' procedure manual for licensing bureau services completed
- Launch of the re-activation of the Traffic Safety Council
- Strategic communication assessment completed, training designed, and capacity interventions to improve Ministry public outreach initiated

Ministry of Public Works and Housing. Project interventions were designed to assist the ministry to re-activate the services of the road repair units (RRUs), build the GIS capacity of the Ministry, assist the Ministry to procure and install information/safety road signs for West Bank motorist, and develop Palestinian road standards and operational manuals. PACE also assisted the Ministry improve staff knowledge and skills, including assistance to improve the ministry's public outreach and communications capacity. Specific achievements included:

- Coordinated and facilitated hiring of RRU staff with the USAID's Emergency Jobs project, implemented by CHF.
- Operationalized three RRUs within the ministry in Ramallah, Nablus, and Hebron to serve the needs of the North, Central, and Southern areas of the West Bank.
- Completed maintenance manual for use of RRUs – included detailed and standards instructions on how 13 core services should be delivered.

- Initiated refurbishment of the cold asphalt plant in Nablus and secured at last six months of hot asphalt through local tender to support road repair.
- Completed an inventory of all equipment under the control of the ministry, identified those pieces that could be repaired, and secured a local subcontractor to repair all that were salvageable.
- Assessed and began initial delivery of IT equipment, software, training, and needed aerial photos to support the GIS needs of ministry to identify and support road repair.
- Refurbishment/Reconstruction of the Hebron RRU equipment facility destroyed in a storm in 2007 to support the sustained capacity of the Hebron unit.
- Installation of over 200 informational and road safety signs.

Ministry of Interior. As discussed earlier, the MOI was not added to the project portfolio until May 2009. Interventions with the civil affairs department at the ministry focused on improved citizen services as they relate to the issuance of passports and national IDs, as well as services for the issuance of birth records, marriage licenses, and death certificates. Specific achievements included:

- Refurbishment and redesign began of citizen service offices of the MOI in Hebron, and Jenin.
- Procurement of IT, furniture, and other commodities to support renovations and process improvements initiated
- All citizen service procedures were identified and ‘as is’ procedural manuals were completed
- Completed delivery of IT and procedural improvements to Tubas MOI office , improving service for approximately 70,000 local residents and decreasing service time from months to days by opening a local service center that is properly equipped and connected to the MOI central systems.
- At the request of the office of the Prime Minister, PACE supported the MOI led committee designated to complete an overall plan for a centralized database of citizen records. Currently citizen information is kept in an ad hoc way and not shared by PA institutions. The assessment will set out concrete ways to unify the disparate systems currently in use.

Palestinian Land Authority. The PLA was not interested in the overall capacity building assistance offered by the project. PACE therefore focused on improving the citizen service areas of the PLA offices in Jenin and Nablus. Limited furniture, commodity, and IT support were initiated and training on the new systems is anticipated once installed. Since the PLA opted out of participation in medium-term capacity building activities – including training and strategic communication planning and also declined to participate in the Centers of Excellence framework, PACE anticipates an early graduation of the PLA from project assistance in the first half of 2010.

Ministry of Finance. Initially PACE was prepared to support the rollout of the MOF’s new integrated performance budgeting system throughout the PA and in particular build the capacity of other project partners to integrate this new system into each ministry. The new system, however, was delayed and once completed, did not operate at the level

anticipated. PACE therefore engaged the MOF in April to redesign project interventions. It was determined PACE could provide the highest value to the ministry by assisting it to develop the capacity to increase revenue collection. PACE therefore immediately developed action plans to provide technical assistance to the property and income tax departments in the ministry. Interventions include refurbishment of property tax citizen service areas, as well a communication/outreach capacity development for the Ministry and specialized training for management, auditors, and assessors. Specific achievements included:

- An assessment and action plan for the income tax department were completed and activities initiated to implement each recommendation
- Internal advisors, both from Jordan, were identified and will be seconded to the MOF with project support in year two of the project
- Operating procedural manual for 13 core property tax services was completed
- Technical assistance to develop the MOF's communication/outreach strategy completed
- Redesign and refurbishment plans for property tax office in Hebron completed
- Procurement of IT, furniture, and other commodities to support renovations and process improvements initiated

Ministry of Telecommunication and Information Technology. Assistance to the MTIT began in August 2009 at the request of the Minister to USAID for PACE support. Specific achievements included:

- PACE completed an initial design for the refurbishment of the Palestinian post office in Nablus
- A new logo and branding strategy for the post office was created and approved by the ministry
- The new postal log was affixed to postal vehicles and to 5 pilot post offices with PACE support
- Assisted the MTIT to apply for and receive an international mail processing code (IMPC) from the Universal Postal Union (UPU)

Training. In addition to the ministry by ministry training highlighted in the table below, PACE's training team also work this year to build the internal training capacity at each partner institution. Ministry teams were identified, individual assessments of the capacity of each to deliver staff training was assessed and tailored methodological and organizational technical interventions were implemented with each to improve overall performance. The training team also completed a pre-qualification tender of local training firms and top training consultants from the local market so PACE can quickly respond to the organizational needs of stakeholders, with 11 firms and 19 individual trainers receiving pre-qualification. Once identified each of the identified firms and trainers were required to participate in a PACE training program to ensure each delivers training to the projects standards.

Cross-cutting training interventions over the reporting period included:

Ministry of MOT			
Training Topics	Female trainees	Male trainees	Total Trainees
Planning workshop	10	18	28
Communication workshop	9	13	22
Public and Customer relations	0	2	2
Hebrew Language	7	25	32
ICDL training	2	10	12
COE training	7	20	27
Process re-engineering	23	12	35
Sub Total	58	100	158
Ministry of MOPWH			
Training Topics	Female trainees	Male trainees	Total Trainees
Planning workshop	7	13	20
Road Maintenance	3	12	15
Public relations	3	2	5
COE training	6	20	26
TOT	5	3	8
Sub Total	24	50	74
Ministry of MOI			
Training Topics	Female trainees	Male trainees	Total Trainees
TOT training	1	8	9
Process re-engineering	23	71	94
Public and Customer Relations	2	2	4
Sub Total	26	81	107
Ministry of MOF			
Training Topics	Female trainees	Male trainees	Total Trainees
Management and behavior training skills-Property Tax-Senior level	2	18	20
Management and behavior training skills-Property Tax-mid level	6	18	24
TOT training	5	2	7

Management and behavior training skills-ITD	2	23	25
Process re-engineering	18	67	85
Public and Customer Relations	0	3	
Sub Total	33	131	164
Grand Total	141	362	503

Centers of Excellence. Effectuating sustained institutional capacity through strategic delivery of capacity enhancements requires a high degree of political will at each and every working level, which was established with all stakeholders, with the exception of PLA, in year 1. The project’s goals are to institutionalize the processes of government transformation by providing our counterparts with the tools they need to be the drivers of reform. The Centers of Excellence (COE) will be the primary means by which the project will achieve these objectives. COE supports teams of mid-to-senior level civil servants from within our counterpart ministries. Significant progress was made in year one to lay the groundwork for year two and three COE implementation. Specific achievements included:

- The official launch of the COE program for all partner institutions except the PLA, which included the attendance and support of the Prime Minister Salam Fayyad
- Formation of COE Ministry teams
- Addition of the MTIT for participation in PACE’s COE capacity enhancement framework

Grants. PPACE made great progress on the launch of its grant program, releasing its first RFA, identifying local CSOs to partner with, submitting initial concepts for 18 grants to USAID for approval, and developing approved concepts into full grant application. PACE will be signing grant agreements in the next quarter and will be able to report on partner CSO achievements.

Challenges

PACE faced several political challenges this year, including the politicizing of assistance for the production and installation of information signs in Arabic and English in the West Bank. Blogs and news articles vilified the project for not including the Hebrew language and misreports of PACE removing and/or destroying Hebrew signs also appeared. While the project was only intended to put in new signs in areas A and B – reports continued to appear concerning Hebrew sign removal in area C- which never occurred.

As indicated in each quarterly report, the PLA only exhibited limited interest in project interventions. Once planned refurbishment activities in Jenin and Nablus are completed, PACE will graduate them from project assistance.

USG procurement rules and regulations and the delay of up to six months of receipt of source/origin/nationality waivers and consents to subcontract severely delayed delivery of and the launch of many tangible improvements. While everyone at USAID and PACE worked extremely hard to overcome administrative challenges, PACE ultimately asked contractors to slow the pace of refurbishments and other assistance until needed IT and commodities critical to the process can be delivered.

Annex II: Accruals Report from July 1 - September 30, 2009

PALESTINIAN AUTHORITY CAPACITY ENHANCEMENT PROJECT CONTRACT NO. DFD-I-06-05-00219-00

Accruals Report from July 1, 2009 through September 30, 2009

Chemonics International Inc. is pleased to submit this Accruals Report for the Palestinian Authority Capacity Enhancement Project. This report covers the period from July 1, 2009 through September 30, 2009 per Section F.7 of Contract No. DFD-I-06-05-00219-00.

A. Total amount of USAID funds obligated to date

\$16,000,000

B. Total actual expenditures invoiced to date

The Palestinian Authority Capacity Enhancement project has submitted invoices to USAID totaling \$3,460,970.22

C. Actual and accrued Expenditures per month and in total for the current reporting quarter

	July 09	August 09	September 09	Total
Amount Invoiced and Paid by USAID	\$472,661.56			\$472,661.56
Amount Invoiced and Unpaid by USAID		\$433,527.22	\$649,114.12	\$1,082,641.34
Remaining to be Invoiced and Paid				

D. Estimated balance of unexpended funds as of the end of the current reporting quarter

We anticipate that approximately \$12,539,029.78 of the obligated funds and \$16,539,029.78 of the contract ceiling will remain after the September 2009 invoice is submitted and paid.

E. Projected quarterly expenditures for the next three months

October 09	November 09	December 09	Total
\$ 644,398.16	\$ 803,823.20	\$ 882,129.84	\$2,330,351.20

