

PDHAC 289



HEADQUARTERS:
1522 K Street, N.W., #202
Washington, D. C. 20005
202-347-2558
Cable: ANERAID

AMERICAN NEAR EAST REFUGEE AID

MIDDLE EAST OFFICE:
29 Sabras Road
P.O. Box 19982
Tel. Jerusalem
432941

October 21, 1981

Kathryn Cunningham, Grant Officer
Regional Operations Division - N.E.
Office of Contract Management
Agency for International Development
Department of State
Washington, D.C. 20523

Grant #NE-G-1542

Dear Ms. Cunningham:

Please find enclosed the interim evaluation from the
Deir Sharaf Olive Press Cooperative.

Thank you.

Sincerely,

Lucy K. Brown
Lucy K. Brown
Vice President

cc: ✓ Ann Gooch

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IMPLEMENTATION PLAN
for
ANERA-SUPPORTED GRANT PROGRAM
Fiscal Year 1978

"Supplement"

GRANTEE INSTITUTION:

14 September 1981

Date

Name: Deir Sharaf Olive Press Cooperative

Responsible Official:

Address: Deir Sharaf - Jablus

Nafe' Ibrahim Mas'ud Nofal

P. O. Box:

Name

Telephone:

Chairman

Title

(If more space is needed, please attach a separate sheet of paper and please be sure to note the number of the question being answered).

I. PURPOSE OF THE ANERA-SUPPORTED PROJECT:

To assist development of a West Bank-wide system of olive oil quality control, timing, and marketing, generally for export. This project is a supplement to the FY-79 Ein Sinya Olive Press cooperative program. Access to major loan assistance from the JCO (Jordan Cooperating Organization) is no more conditional on a joint project by Deir Sharaf and Ein Sinya (see Implementation Plan 31 May/1979 Item 1)

II. PLAN OF OPERATIONS:

(How project will be carried out) Two factories of olive oil tinning will be established, one at Deir Sharaf and one at Ein Sinya. Each of Deir Sharaf and Ein Sinya cooperatives will put their AID/ANERA grants of \$150,000 each in their own projects. Each also receives its long term loans from the JCO separately. Deir Sharaf has already JD 65,000 in the Cooperative Bank in Amman which it can draw any time. Another JD 100,000 was approved for Deir Sharaf tinning project from the Joint Committee in September 1981. These funds are long-term low-interest loans from the JCO.

III. PROPOSED BUDGET:

A. Equipment and Supplies

1. Details and Costs

a) Machinery	\$ 98,000
b) Metallic components for 1000,000 cans	<u>\$388,000</u>
	\$486,000

See attached invoices of I.L.I.O Italian Company of 21st July 1981.

2. Source and Origin
(Local, U. S., Other)

European, local

B. Personnel Costs
(Direct and Indirect Costs, in U.S. Dollars and Man Months)

1 Director, 1 Accountant, 4 Handworkers, 1 Technician
Total cost per year ca \$18,000

C. Training Costs
(Local Training, Including Transportation and Subsistence
in U. S. Dollars and Man Months)

NA

D. Construction Costs

1. Material

\$70,000

2. Labor and Contractor Fees

\$36,000

E. Other Costs

1) Land, 2 years, \$50,000

2) Cartons boxes, labels other \$10,000

IV. PROPOSED DISBURSEMENT PROCEDURES AND RELATED CONTROLS:

The Cooperative, the West Bank Union of Olive Press Cooperatives together with the regional cooperative officer share responsibility of disbursement of funds. All West Bank cooperative accounts are audited by law.

V. SCHEDULE OF ACTIONS REQUIRED, WITH TIME-TABLE INCLUDING TARGET DATES FOR USE OF GRANT FUNDS: The cooperative made biddings on the said equipment. The offers to the cooperative were from:

I.I.I.O. Galina, Italy; Medus, Milano, Italy;

Norddeutsche Maschinen Ges. Hamburg, W. Germany.

In its meeting on May 27/1981, the cooperative committee opened the bids and chose the I.I.I.O bid. A letter of credit was opened in favor of the said company on July 27/1981 for the total amount of \$486,800. The coop. opened the L/C by 25% of this amount i.e. \$121,700. The rest is due on shipment in October 1981.

ANERA paid \$50,000 to the coop. on 31 May 1980, as an advance for (to be continued at bottom of page)

VI. STAFF INVOLVEMENT IN PROJECT:

Normal consultations throughout the project development. Project visitations, joint preparation of interim and final project reports.

VII. SKETCHES OF ANY CONSTRUCTION ANTICIPATED:
(may be attached)

V.(Continued) purchase of the equipment. This amount was part of the payment made to open the letter of credit. The equipment is expected in October/1981. Total cost of the project equipment as of the L/C will be \$486,800 (see attached copy of L/C)

BEST COPY AVAILABLE

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Documentary Credit No.

Import Licence/Bruxelles Nomenclature No.

Issued On: Valid until: In the sum of

Name of Customer: Lea Smeil Ltd. P.O. Operative
Address: Lea Smeil

A/c No. 117.1171
Telephone: _____

To: Tel Aviv Bank Leumi Le Israel B.M. Date: 1/7/68

In accordance with your general conditions which we have signed in connection with documentary credits, you are requested to open our account an irrevocable documentary credit

by full cable by express letter
 with a short cable produce through your correspondent Bank of Napoli

up to the amount of 256,500 currency U.S.D.
in words: Two hundred and fifty six thousand
The credit will remain valid in Italy until 31/12/68 inclusive

In favour of LEA SMEIL LTD
STRADELLA 14 2000
LEONARDO
ITALY

which will be paid to the beneficiary against delivery of the documents marked in connection with the consignment detailed below:

- Bills of lading full set plus 3 non negotiable copies on board marked freight prepaid payable at destination notify applicant made out to the order of Bank Leumi Le Israel BM Tel-Aviv to shippers order and addressed to order of Bank Leumi Le Israel BM Tel-Aviv mentioning import licence No. also specifying that in view of the danger of contamination warranted vessel is not to call at ports, harbours and not to enter the territorial waters, airspace of Egypt, Syria, Lebanon, Jordan, Iraq, Saudi Arabia, Yemen, Sudan, Libya, or other Arab countries prior to unloading in Israel unless in distress or subject to force majeure.
- Parcel post receipt
Beneficiaries written declaration that D/C number was recorded on parcels and on despatch notes accompanying them
- Air consignment note including despatch of goods to Bank Leumi Le Israel BM Tel-Aviv marked airfreight prepaid payable at destination. Notify applicant mentioning above credit number bearing Arab unloading prohibition clause as given above also mentioning import licence No (s)
- Signed original invoice (s) in 7 copies, stating that goods are of ITALIAN origin and mentioning as per proforma invoice order No. _____ Dated 27/7/68 Price basis FOB C&F CIF
- Insurance policy or certificate covering goods against marine/air transport risks WPA/FPA Institute cargo clauses (all risks) from warehouse to warehouse with extended cargo clauses (extended cover) and war risks while waterborne, including seizure and confiscation risks. THIRD
- EUR 1 certificate Packing list in _____ copies Specifications in _____ copies
- covering proforma invoice dated 27 July 1968 355,000
256,500

Proportionate payments against partial shipments: Permitted

Transshipment permitted: Permitted

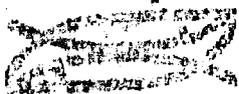
Despatch/shipment from: ATLANTA OR ASUDDA to: _____

Please request your correspondent to confirm not to add his confirmation to the credit and to inform you by airmail/cable of its date

BANK'S OBSERVATIONS
Opened by letter/cable on _____
Covered by _____

Liability	Liability transferred on	Increased by	On	Extended until
Deposit/Cover				
Management				
Confirmation				

Special Instructions: _____
(50) 120 077



I.L.I.O. S.p.A.

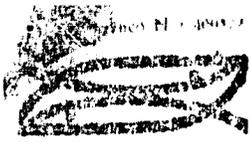
CAPITALE SOCIALE L. 370.000.000
Sede e Stabilimento

VIA MEDIANA Km. 1,700 - 04010 FICOGRAFIA (LATINA)
Tel. (0723) 450421 - 450422 - Telex 437000 I.L.I.O. Telexradio I.L.I.O. (IT)

S. P. A. ...

Date per quanto segue:

CODICE FISCALE CLIENTE		N. CLIENTE	DATA FATTURA		FATTURA N.		
D. C. N.		DATA D.C.N.	PORTO	SPEDIZIONE A MEZZO		PAGAMENTO	
						Prezzo unitario	
<p><i>CONDIZIONI GENERALI DI VENDITA - Le merci saranno a rischio e pericolo del Compratore anche in caso di frode di parte. Non si rimborsano i danni. Per qualsiasi informazione, rivolgersi al punto di vendita.</i></p>		<p>1 hydraulic body welding machine 1 set of opening tools 1 semi-automatic flanging machine 1 set of flanging tools 1 semi-automatic can seaming machine complete with rollers and 1 set of seaming tools. This is to sew can bottoms. 1 semi-automatic weight dosing machine 1 semi-automatic can seaming machine to close can lids after filling. Complete with seaming tools. 1 automatic can tester.</p>					
		<p>... (airtight thousand eight hundred 8800) ...</p>					
(1) Importo non soggetto		I.L.I.O. S.p.A. - Latina L'Amministratore Unico		Tassa di registro (047-040)		TOTALE FATTA	
%		%		%		Totale IVA	



I.L.I.O. S.p.A.

CAPITALE SOCIALE L. 250.000.000

Sede e Stabilimento

STRADA MEDIANA Km. 7,70 - 30010 BORGHI GRAPPA (LATINA)
Tel. (0775) 40531 - 40522 - Telex: 80972 ILIO - Telegrammi: ILIO (LT)

INCASSO al Conto di Credito di a.
C.C.I.A.A. Latina
PART. IVA 003
COD. FISC. 000

S

INTERNATIONAL DOCUMENT

Dare per quanto segue:

CODICE FISCALE CLIENTE		N. CLIENTE	DATA STIPULA		FATTURA N.	
			2		1981	
CONDIZIONI GENERALI DI VENDITA - Le merci vengono consegnate e pagate in contanti presso il Cliente. Non si riconoscono rimborsi 5 giorni dal ricevimento della merce. Non si riconoscono rimborsi a favore clienti di regione o credito. Per qualsiasi controversia, fare riferimento a quello di Latina.	B.C.N.	Data B.C.N.	PORTO	SPEDIZIONE / MEZZO	PACCHETTO	
			EURO	Aerea	Fornitura	
<p>200.000 cans rectangular for 2 kg. cans rectangular, each set consisting of one can bottom, one can lid fitted with cap and a label with print on one side in English and the other side in Arabic according to description supplied by you. Thickness 0,25 mm. Corrugated sheet.</p> <p>400.000 cans rectangular for 4 kilo cans rectangular, each set consisting of one can bottom, one can lid fitted with cap and a label with print on one side in English and the other side in Arabic according to description supplied by you.</p> <p>Thickness 0,25 mm. Corrugated sheet.</p> <p>Total</p> <p>Quantity : no guarantee that cans will be of the same quality for all countries.</p> <p>Delivery : 12 weeks from receipt of order.</p> <p>The technical specifications of the cans are subject to change without notice and the manufacturer assumes no responsibility for any proceeds arising from local conditions of use, including the use of the cans in the field.</p> <p>Special condition : delivery of the cans will be made in two deliveries, according to the requirements of the client.</p>					<p>Importo</p> <p>Imposto</p>	
(1) Importo non soggetto		(2) Importo	(3) Importo	(4) Importo		
%		IVA	IVA	IVA	Totale IVA	

ILIO s.p.a. - Latina
L'Amministratore Unico

ITALIA S.p.A.
ROMA, VIAREGGIO, 00100

SEC S.p.A.

VIA MEDIANA 100 - 00100 ROMA
TELEFONO 06/4781111

Messrs DEIR SHARIF OLIVE OIL COOP
DEIR SHARIF

21st July 1981

WEST BANK

BEST AVAILABLE DOCUMENT

PROFORMA INVOICE

200.000 cans components for 2 lit. cans rectangular
each set consisting of one can bottom, one can lid
fitted with cap and seal. With print on one side in
English and the other side in Arabic according to

description supplied by you.

Plate thickness 0,22 mm Cost of each set USD 0,51 USD 102.000

200.000 cans components for 4 lit. cans rectangular
each set consisting of one can bottom, one can lid
fitted with cap and seal. With print on one side in
English and the other side in Arabic according to
description supplied by you.

Plate thickness: 0,26 mm Cost of each set USD 0,215 USD 286.000

TOTAL U.S. Dollars 388.000

FOR ITALIAN POINT - DIRECT PAYMENT

PAYMENT: BY CREDITED ? IRRREVOCABLE T/C 100% VALUE

GUARANTEE: We guarantee that cans will be the best available in Europe
especially suited to olive oil

DELIVERY: shipment after 12 weeks from receipt of Letter of Credit

Special conditions: the delivery of the above cans can be made in two
deliveries, according to your requirements and within reasonable time.

SEC S.p.A.

[Handwritten signature]



FATTURA
Facture
Invoice N° PROFOR-1A
 2 1st July, 1981
 DEL
 Du
 Of

SPETT. DITTA
 Malino
 Messrs.

DEIR SHARF OLIVE OIL COOPERATIVE

Deir Sharf

West Bank

- Tel. (0521) 71641 (5 linee)
- Telex: 53259 Parmatel / est (Oreste Luciani)
- Telegr: LUCIANI - PARMA
- C.P. 29 - B.P. 29 - P.O. Box 29
- C/C Postale n. 25/4269
- C.C.I.A.A. di Parma n. 2463
- Iscriz. Registro Imprese n. 3456 Tribunale di Parma
- Iscrizione Miniconis M 54042
- Capitale Sociale interamente versato Lit. 400.000.000

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PER LE SEGUENTI MERCI SPEDITEVI A MEZZO to be shipped by steamer
 Pour le marchandises suivantes expédiées par
 For the following goods sent by

PAGAMENTO by irrevocable confirmed Letter of Credit in favour of ILIO Spa- Latina
 Paiement
 Payment

DESCRIZIONE Spécification Specification	PREZZO UNITARIO Prix Unitaire Unit Price	IMPORTO TOTALE Montant Amount
<p>line to assemble at least 200.000 2 kilo gross rectangular tinplate cans a year and 600.000 4 kilo gross rectangular tinplate cans a year to contain olive oil.</p> <p>1 high speed rolling machine, complete 1 long beam weighing machine 1 hydraulic rotary marking machine 1 set of expanding tools 1 semi-automatic marking machine 1 set of 11 right tools 1 semi-automatic can seaming machine complete with rollers and 1 set of seaming tools. This is to seam can bottoms. 1 semi-automatic can filling machine by weight 1 semi-automatic can seaming machine to close can lids after filling. Complete with seaming tools. 1 pneumatic can tester.</p> <p>Guarantee: one full year for all mechanical faults Delivery: within twelve weeks from receipt of L/C</p> <p>Price: US\$ 98.800.-- (ninetyeightthousand eight hundred US dollars only) Price intended: FOB Italian Port One technician will supervise erection and running in of machinery. Hotel accommodation and food on Deir Sharf account, while cost of technician and cost of air ticket on our account. We shall supply handling of the installation upon receipt of the building drawings of Deir Sharf Cooperative. Being the leading manufactures in Italy of the above machinery we can give you full guarantee.</p>		

ORESTE LUCIANI Spa
 Parma

298-0151

15 February 1981

1542

- I. FY-78 AID/ANERA SECOND INTERIM EVALUATION OF TARQUMIA COOPERATIVE LAND RECLAMATION PROJECT
- II. FY-79 FIRST INTERIM EVALUATION:
 - (A) Revolving Loan Fund
 - (B) Hebron/Bethlehem Plant Nursery

- 1. COOPERATIVE AGENCY : The Cooperative Society for Olive Pressing and Marketing its products in Hebron District - Tarqumia
- 2. ADDRESS : Tarqumia Village - Hebron
- 3. DIRECTOR OR RESPONSIBLE OFFICER : Mr. Wahid Al-Amleh - President

4. PROJECT PROPOSAL SUMMARY:

The land reclamation program of the cooperative goes hand in hand with the plans of the Department of Agriculture in Hebron. These plans are designed to achieve ca 4000 dunums of opening new land and plant it with olive trees especially in the western-green-belt area alongside the Israeli borders. The land reclamation program of the Tarqumia cooperative aims at the reclamation of ca 500 - 800 dunums of land a year. The projects that are engaged in this land reclamation program are:

- 1. The Tarqumia mechanized unit for land reclamation. This project is an AID/ANERA FY-78 grant of \$120,000.
- 2. The cooperative Revolving Loan Fund, an AID/ANERA FY-79 grant of \$100,000, to help member farmers cover land reclamation costs.
- 3. The Bethlehem-Hebron Plant Nursery. This FY-79 project is an AID/ANERA grant of \$150,000 and is in its early implementation stage.

This Tarqumia land reclamation program consists of these three complementary projects so that the revolving loan covers member-farmers costs of seedlings and costs of the mechanized unit works on members' land, while the mechanized unit works at low cost and the nursery produces olive seedlings at minimal cost.

5. PROGRESS TOWARD PLANNED TARGETS:

Two of three Tarqumia projects were by early February 1981 fully operative, namely the machinery unit and the revolving loan projects. The land reclamation mechanized unit consists, as of February 1, 1981 of the following:

	Equipment	Type	Date of Purchase	Price
1.	Bulldozer	9556 Caterpillar	Aug/1979	\$ 103,000
2.	Field tractor	6660 Ford	June/1979	14,000
3.	Orchard tractor	3600 Ford	June/1979	11,000
4.	Plough	local	Oct/1979	200
5.	Sprayer, Unit	500 litre	Oct/1980	3,000
6.	Hole-Digger	local	Oct/1980	1,200
7.	Solar-Tank for Bulldozer	local	Jan/1981	500
	Total cost of equipment			\$ 132,900

Also, the cooperative expanded its building by ca 175 m² at a total cost of ca JD 6,000. The building was finished on September 23, 1980. A 300 m² wall was constructed around the cooperative building area at a cost of ca JD 2,000; cooperative members volunteered labor or donated construction materials.

Regarding the revolving loan fund FY-79 project of \$100,000, loans of \$500 each were extended to 170 members. As of February 1, 1981 \$85,000 was disbursed, i.e. 85% of the total fund of \$100,000. The planned target of the cooperative is to disburse 200 loans in the size of \$500 each. The current balance of \$15,000 is held to be used in coming land reclamation season which starts in late March 1981, to provide 30 individual loans to cover ca 50% of the cost of bulldozer and tractor works at the beginning of the season. Seven additional loans can be provided in the coming season from repayment of last year's loans that fall due as follows:

No. of Funds	Disbursement Date	Due Date	Amount
30	30/7/1980	30/7/1981	\$ 1,500
30	30/8/1980	30/8/1981	1,500
15	30/9/1980	30/9/1981	750
Total 75	1/8/81 - 1/10/1981		\$ 3,750

The figures indicate that 7 individual loans can be provided between August and October 1981 from loan repayments due. Also, 30 funds can be provided from the current balance of \$15,000, so that the cooperative can assist land reclamation operation cost for 37 members from the revolving loan fund between August and October.

The disbursed 185 revolving individual loans were used as follows:

1. 60% of the amount, to cover bulldozer work (i.e. \$51,000) over ca 700 dunums of new reclaimed land till 1/2/1981.

2. 20% to cover cost of walls, contours and holes for grape trees (i.e. \$17,000).
3. 10% to cover cost of catchment wells (i.e. \$8,500).
4. 10% cost of seedlings of olives and other trees which are planted on the same reclaimed land (i.e. \$8,500).

Regarding the development of the plant nursery project, the cooperative will this month conclude purchase or hire of a plot of land where sufficient ground water is available. The alternative locations are:

1. Al-Majnuneh near Yatta
2. Al-Hijri between Yatta and Dura
3. Bir el-Qous west of Dura
4. Bir Al-Quff on the road between Hebron and Dura

Final negotiation on one of the above locations will conclude within the next two weeks and following that the cooperative will go ahead with the construction of the nursery so that olive seedlings from the nursery production will be available for the next season which starts in October 1981.

6. PROJECT RELEVANCE: (in view of passage of time and changing host country circumstances)

ANERA's land reclamation plan for the Hebron area includes 4 land reclamation mechanized unit projects along with a new branch cooperative olive press supporting group of ten small cooperatives' agricultural services.

1. Si'eer/Halhul LRC, to serve the northwest region of Hebron District (FY-80)
2. Tarqumia LRC, to serve the western Belt area (FY-79)
3. Dura LRC, to serve the middle region (FY-79)
4. Yatta LRC, to serve the eastern slopes (FY-81)
5. South-Hebron Olive Press Tarqumia branches, to serve the southern region (FY-80)
6. Small agricultural cooperative services (FY-78 and 79)

The Halhul FY-79 Cooperative Project was categorically disapproved by the GOI; it was replaced by the Si'eer project in FY-80 and awaits GOI approval. The Dura FY-79 Cooperative Project is still under GOI consideration.

The south-Hebron Tarqumia branch is an FY-80 project and is also under review of the GOI. Under these circumstances the Tarqumia land reclamation machinery and the revolving fund also serve these regions so that the membership and the demand for the services of these two complementary projects originates not only from nearby Tarqumia but also from more distant villages in the Hebron area. In view of this, at least one additional bulldozer and three additional tractors are required to allow the mechanized unit to expand its services over the north-west region. Also the revolving fund at its current size is too small to serve the region where the mechanized unit operates. In our special evaluation of September 10, 1980, we recommended expanding the loan fund by further \$200,000 to serve 300 additional farmer members. This is more urgent in view of two recent developments:

- 1) The membership of the cooperative exceeds 1100, i.e. 293 new members since our previous interim evaluation in December 1979. The membership reached 1000 members in September 1980 (see Special Evaluation of the Revolving Fund project on September 10, 1980).
- 2) The cooperative plant nursery project is expected to produce seedlings during the coming season in the fall of 1981, so that the demand for olive planting and hence for land reclamation, and consequently for loan funds is expected to increase further.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

The Tarqumia cooperative is the largest and one of the most effective and successful cooperatives on the West Bank. It maintains three regional projects namely:

- 1) The olive press
- 2) The machinery unit
- 3) The revolving loan fund

Two more regional projects are on the program:

- 1) The FY-79 plant nursery which is expected to be implemented during the coming 3-5 months
- 2) The FY-80 South-Hebron olive press and services, which awaits approval by the GOI.

The success of the cooperative can be demonstrated through its growing membership. The cooperative started in 1977 with 200 members and reached by mid-February 1981 1100 members and so became one of the

largest agricultural regional cooperative in the Middle East. The members come from all over the Hebron area as does its executive committee.

The cooperative has a very active executive committee and a very effective management, and is acting as a central agricultural cooperative for the Hebron area.

The good reputation of the cooperative and the growing interest in its services is a result of two factors:

- 1) General social, official and private confidence in the cooperative board and management.
- 2) The farmers' confidence in the efficiency of the cooperative society in view of its successful project program.

The financial position of the cooperative is excellent. The sources of the funds are in first grade the members themselves; in addition the Arab joint-fund-support from Amman, and AID/ANERA support.

Self-help factors are first rate in this cooperative. Members contribute and volunteer labor to the cooperative during olive pressing season, construction of buildings, etc., or however the cooperative needs help. Also, fund raising from members through raising members' shares goes smoothly so the cooperative project program is secured by the members' enthusiasm and shareholding.

8. FINANCIAL POSITION OF THE COOPERATIVE AS OF JANUARY 22, 1981:

(Cooperative Bank account; Bank Leumi - Hebron
Account No. 103/35

<u>\$110,000</u>	<u>Balance as of 22/1/81</u>
\$ 50,000	Advance of AID/ANERA grant for the Nursery project
\$ 15,000	Balance of revolving loan fund
\$ 45,000	Balance of AID/ANERA grant for the Machinery unit project together with cooperative revenues
<u>\$110,000</u>	<u>Total</u>

.../6

9. FUNDS EXPENDED:

AID/ANERA grant extended to the cooperative was \$120,000 to cover part of the projects costs

Total disbursement as of 22/1/1981

1) Buildings	\$ 26,400	
2) Bulldozer	103,000	
3) Tractors	25,000	
4) Other equipment	4,900	
5) Other costs: transportation of equipment from Tel Aviv, checking and operating bulldozer and tractors	7,000	
Total	\$166,300	
60% from AID/ANERA grant		\$ 99,700
40% from coop own funds		66,600
Total		\$166,300
ANERA grant balance of \$120,000		20,300
Coop own funds balance		24,700
		\$ 45,000

Sources:

- 1) Oil Revenues from this year's season
5 tons = JD 5,000 at
1 JD = \$3.30 \$16,500
- 2) Members' shares \$ 8,200

This amount is being kept to purchase an additional bulldozer

The cost of a bulldozer is now ca \$120,000. The cooperative needs to collect an additional amount of \$75,000.

As indicated above the AID/ANERA contribution in cost of equipment for the cooperative second development stage was ca 60% against 40% from cooperative own funds; the cooperative paid in full for the first development stage which consists of land costs, olive press machine and a large building of ca \$500,000.

10. SUMMARY COMMENT

A) Management:

- a) The cooperative president, executive committee and director are experienced persons with excellent reputation in the area.
- b) The cooperative exercises a good organization, filing system and accounting system.

c) The cooperative appointed a special loan committee to supervise the revolving loan program.

B) Periodic Feasibility (15 months) - (September/1979 - January/1981)

1. Operation Costs

(Total: Sept/1979 - Jan/1981)

Bulldozer achieved 2000 effective working hours, large tractor 500 working hours, small tractor 50 working hours.

1) Salaries (one driver) 15 months at JD 100 (exchange rate JD 1 = IS 26)	IS	39,000
2) Fuel		44,177
3) Oils, fats		8,525
4) Maintenance		31,000
5) Depreciation (10%)		105,600
6) Other (10% of total)		22,830
<hr/>		
Total	IS	251,132

2. Income

a) Bulldozer: 2000 hours x IS 150 =	IS	300,000
b) Tractor : 550 hours x IS 30 =		16,500
<hr/>		
Total	IS	316,500

3. Benefit/Cost Ratio

Gross costs	IS	251,132
Gross income		316,500
B/C Ratio = (1.26)		

which indicates a feasible operation from September - January 1981.

HEADQUARTERS:
1522 K Street, N.W., #202
Washington, D. C. 20005
202-347-2558
Cable. ANERAID

ANERA

AMERICAN NEAR EAST REFUGEE AID

MIDDLE EAST OFFICE:
29 Nablus Road
P.O. Box 19982
East Jerusalem
via Israel

75 601 100
April 2, 1980

Mr. Franklin Moulton
Grant Officer
Regional Operations Division, Near East
Rm. 731-B, SA-14
Office of Contract Management
Agency for International Development
Department of State
Washington, D.C. 20523

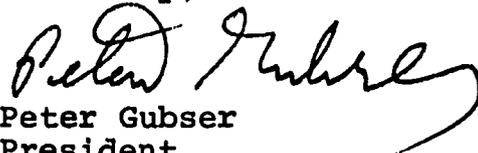
128
Re: Grant No. NE-G-1542

Dear Mr. Moulton:

Please find attached interim project evaluations
of the following subgrants:

- Hebron University Union of University Graduates'
Polytechnic
- Bethlehem Societies' Metal Work School
- Arab College of Nursing
- Gaza Sewer Project

Sincerely,


Peter Gubser
President

cc: ✓ Ann Gooch

HEADQUARTERS:
1522 K Street, N.W., #202
Washington, D. C. 20005
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AMERICAN NEAR EAST REFUGEE AID

MIDDLE EAST OFFICE:
29 Nablus Road
P.O. Box 19982
East Jerusalem
via Israel

February 26, 1980

Mr. Franklin Moulton
Grant Officer
Regional Operations Division, Near East
Rm. 731-B, SA-14
Office of Contract Management
Agency for International Development
Department of State
Washington, D.C. 20523

Ref: Grant Nos. NE-G-1542
NE-G-1521

Dear Mr. Moulton:

Pursuant to the terms of the above-mentioned grants, please find attached implementation plans and interim evaluations of the following subgrants:

- Beit Jala Soap Factory
- Tarqumiya Mechanized Unit
- Al-Najah University
- Nazlah Sharkiya Well Repair

The same documents for the following organizations will be sent to you shortly:

- Hebron University Union of University Graduates'
Polytechnic
- Bethlehem Societies' Metal Work School
- Arab College of Nursing
- Gaza Sewer Project

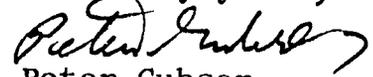
The Deir Sharaf project has not yet been implemented due to local constraints. However, it is now approved and should go forward shortly.

Re the Jordan Valley Co-operative, Wadi al-Fari'a Irrigation, and the Halhul projects, local constraints have prevented us from

going forward.

Thanking you for your co-operation, I remain

Sincerely yours,

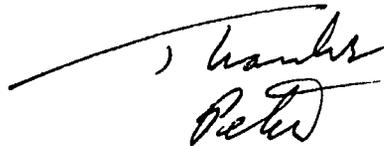


Peter Gubser
President

Attachment

cc: Ms. A. Gooch
Ms. L. Brown
Mr. W. Selz

Ann,
this is what the GAO auditor was asking
for. The 4 missing reports should be in within
a month



FY-78 AID/ANERA INTERIM PROJECT EVALUATION

1. COOPERATING AGENCY : Bethlehem Societies Committee Skilled Metalwork Training and Production
2. ADDRESS : P.O. Box 19, Bethlehem
3. DIRECTOR OR RESPONSIBLE OFFICER : Nicola Loussi, President

4. PROJECT PROPOSAL SUMMARY:

The Bethlehem Societies Committee for Rehabilitation and Development was formed in 1968 by six charitable societies in Bethlehem. The Committee set up a revolving interest-free loan fund which makes loans to small businessmen, craftsmen and farmers in amounts not exceeding \$500. The Committee established in 1977 the Metal Work Training Center which produces Islamic, Christian and Jewish religious items along with other tourist jewelry. Main goals of the center are:

- 1) To train young people as skilled metal workers for reproduction of religious and other traditional articles along with contemporary design jewelry.
- 2) To replenish and augment the interest-free small loan fund.

Much of the costume jewelry and other tourist/pilgrim oriented production derives from abroad, Hong Kong, Taiwan, Germany etc. These local products aim to displace imports as output increases and diversifies.

ANERA made in 1977 one AID/ANERA grant of \$64,000 to the Committee for the purpose of establishing the center. In 1978 a second AID/ANERA grant of \$28,000 followed to help establishing final stages of the center.

5. PROGRESS TOWARD PLANNED TARGETS:

A) Management and Place

The center was established with AID/ANERA two grants in FY-77, \$64,000 and in FY-78, \$28,000. The previous manager, Jalil Sayeh, directed the center for 18 months. He left the center at end of June 1979. The manager is now Mr. Ilias Hazboun, a well-trained metal-work craftsman and trainer. Mr. Nicola Loussi is still the administrative and accounting head of the center. In January 1980 the center was moved to a new building in the same street where it finds more space. The previous building was cramped and wet. New rent is the same as before - JD 60 a year. Cost of preparation and maintenance of the new building: Painting doors, glass windows, transport of machinery etc. reached ca IL 200,000 or (then) \$7,000 from the AID/ANERA FY-78 grant.

B) Training Program

In 1978 thirteen trainees were learning and assisting actual production. In 1979, 12 trainees were at work, 6 of them completed their course and are now working with jewelers in Jerusalem and Bethlehem. The other six trainees are still working in the center. In 1980, 16 trainees will be admitted.

C) Production, Stock Value and Market Situation

In the year ended December 31, 1979 total production reached 140,000 pieces. Total sales during the year were 95,000 pieces, and stock available now is 45,000 pieces. Total purchases of raw silver during the year were 93 Kgs wherefrom 20 Kgs of raw silver are now in stock; the rest was manufactured out of which 28 Kgs went in sales and 45 Kgs are still in stock. The value of stock is as follows:

Raw silver	20 Kgs	
January 80 Kg price (est.)	<u>IL 50,000</u>	
Total value		IL 1,000,000
Manufactured	45 Kg	
January 80 Kg price (est.)	<u>IL 55,000</u>	<u>IL 2,475,000</u>
Total value of stock		IL 3,475,000

which equals ca \$68,750 at an exchange rate of IL 36 to the dollar.

The market factors have obviously been effected by recent political events in the Middle East. The market depends entirely on tourism to the Holy Land. The touristic season was very poor during the last quarter of 1979. The center's sales reached only IL 20,000 in November and December. Average sale shall exceed IL 50,000 a month to keep project running; monthly salaries are IL 22,000, maintenance, depreciation and others are ca IL 23,000 a month.

D) Up to end of 1979 the center invested all its earnings in equipment and raw silver purchases. No allocations were made up to the societies' program.

6. PROJECT RELEVANCE:(in view of passage of time and changing host country circumstances)

Since Iran and Afghanistan erupted, the normal influx of tourists and pilgrims has slowed almost to a halt throughout winter months.

Second, the price of raw silver (see following Item No. 7 for details) has soared to the point where traditional or innovative religious and souvenir jewelry and other small articles are far less marketable.

Third, although pre-Easter tourist/pilgrim traffic is now resuming, few are buying silver items at their current inflated cost. The chief retail outlet for Bethlehem Societies products says that where a tourist last year bought ten items, this year he buys one.

Training continues, and, as reported earlier in this report, young men and women who've completed training have secured employment. Since the metalwork training and production center is a project of a resourceful and determined group of Bethlehem charitable societies, it will weather hard times until a solution is worked out - they plan shortly to switch production to copper or other non-silver alloy: but this will mean development of an unfamiliar market.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

Although the value of raw silver and stock of finished religious and souvenir jewelry and other items continue to increase rapidly in value, there is little market for finished products and the cost of replacing raw silver is prohibitive.

The experience of Jalil Sayeh, the skilled trainer/craftsman who left the training and production center last June, is indicative (since Sayeh is a relentlessly flexible businessman). When Sayeh initiated the training production center two years ago, the cost of raw silver was IL 2,000 per kilo. When he resigned from the Center last June, cost had risen to IL 7,000 per kilo. Cost rose to over IL 70,000 per kilo in early February. Sayeh stopped production completely two months ago, and since then has been scouring the West Bank for pre-1963 John F. Kennedy half-dollars (a popular souvenir here); the pre-63 Kennedy half dollar is 60% silver. Sayeh has collected 32 kilos of coins, melting them down for the 60% silver content. He pays IL 250 (\$9.50) for a Kennedy half dollar, and melts down 60% raw silver worth IL 500 (\$19) on today's market. He has also taken to repurchasing some of his old production from retailers who've been unable to sell it and now need cash; his old products he melts down as well.

Under such circumstances, when productivity finds no market and profit retreats to manipulation of soaring raw silver market, no stable future can be foreseen until the craftsman can purchase his raw material, use it and be reasonably sure he can replace it at a predictable cost.

8. FUNDS EXPENDED:

On November 3, 1978 ANERA signed agreement with the Bethlehem Societies represented by Mr. Nicola Loussei, head of the center on an AID/ANERA FY-78 grant of \$28,000. The grant was spent as follows:

1) Design (cutting) machine	\$10,000
2) Training	2,000
3) Raw Material (Silver, gypsum, wax etc.)	13,000
4) New place of workshop	<u>3,000</u>
Total	\$28,000

9. SUMMARY COMMENT:

As of today (24 February 80), silver is decreasing sharply in value, but remains out of reach of most tourists and pilgrims who previously comprised the market for skilled metal craftsmen. The future remains unpredictable, although no one assumes that either silver or gold will return to anywhere near their value of even last year, much less the years before.

Therefore, the project will have to be re-thought and adapted to meet these adverse circumstances - a wholly silver-free alloy may be used or one using fifty per cent or less silver; both experiments are being made. The Bethlehem Societies who initiated and support the project are a responsible and resourceful group of Catholic, Orthodox, Muslim and other Palestinian charitable agencies. Directly responsible officers, Nicola de Lousi and Ilias Hazboun, are determined to work out a solution to the problem.

If the pilgrim/tourist trade revives, and if the higher prices on almost everything a visitor pays for from hotel and food to local and imported souvenirs don't continue to discourage purchases beyond those unavoidable, the metal work training center will revive and prosper. More likely, it will adapt temporarily to harder times. In any event, it will remain a permanent commitment of the Bethlehem Societies.

24 February 1980

FY-78 AID/ANERA INTERIM PROJECT EVALUATION

1. COOPERATING AGENCY : Red Crescent Arab College of Nursing
2. ADDRESS : P.O. Box 523 - Al-Bireh
3. DIRECTOR OR RESPONSIBLE OFFICER : Dr. Yasir Obeid, Chairman of Board of Trustees of the Arab Medical Institute

4. PROJECT PROPOSAL SUMMARY:

The project is a college of nursing which will graduate B Sc level nurses. It is an institution of the Red Crescent Societies of the West Bank and Gaza. The Arab College of Nursing will serve two purposes: (1) help reduce the gap between West Bank/Gaza Strip need for professionally trained and competent nurses; (2) raise both professional and social status of the nursing profession by associating it with a Bachelor of Science/Nursing degree recognized by the Jordanian government and affiliated to a West Bank University. The College was planned for 60 - 80 girl-students a year. Students receive free university B Sc level education with full room and board in the college building. The Arab College of Nursing received an AID/ANERA FY-78 grant of \$150,000.

5. PROGRESS TOWARD PLANNED TARGETS:

A) Building

The executive committee of the Jordanian Red Crescent Society/ Jerusalem has appointed a board of trustees for the Arab Medical Institutes which supervises the Red Crescent Arab College of Nursing. Dr. Yasir Obeid, the Jordan Director of Health in the West Bank, is the Chairman of the Board. The Board rents the building from the Municipality of Al-Bireh. The building was designed as a hotel and consists of five floors in an area of 900 square meters. Renovation and furnishing works ended in October 1979. The building was furnished as follows:

1. Ground Floor:

Student restaurant, kitchen, nursing laboratory, washing rooms, sanitary units etc.

2. First Floor:

Reception, administration, classrooms, general science, laboratory, audio-visual aids.

3. Second and Third Floors:

Sleeping and living rooms.

4. Fourth Floor:

Library, sitting room, clubroom.

B) Students:

Admission is restricted to girls of at least 60% Tawjihiya level. Students sign a contract with board chairman obligating themselves to serve four years in the West Bank after their graduation.

In the intensive English preparation course of 5 months, 80 students out of 180 applicants were enrolled. Only 71 passed the course and were able to register the first semester. Attempt was made to keep the geographical distribution of students residency proportionate to population. Projected enrolment is 60 students in the first year, 50 students in the subsequent second, third and fourth years. Anticipated number of graduates a year is approximately 40 - 50 B Sc nurses.

C) Curriculum:

The program of the Jordan College of Nursing of the University of Jordan was adopted with slight alteration of approximately 20 - 30 credit hours to include extra in-hospital training. The College has added 480 class and lab hours to the Jordanian curriculum. The period of study is four years, eleven months a year in two semesters, an intensive English course at the beginning and a three months internship after graduation with B S N degree.

<u>Proposed Curriculum Summary</u>	<u>Credit/hours</u>	<u>Class and Lab/hours</u>
1. Intensive English Course (8 weeks)	9	24
2. 5 Semesters (16 weeks) each	152	305
3. Nursing Internship (3 months)	(3 months)	40

D) Staff and Organization:

The Board hired a group of highly qualified staff, three with Ph.D; five Doctors of Medicine, five MSc and fifteen BSc and Diploma. The College consists of six departments: Administration, English Language Department, Department of General Science, Department of Sociology and Psychology, Department of Health Sciences and Department of Nursing. For first year requirements the staff is satisfactorily covering the needs. In subsequent years more emphasis will be given on teachers with specialization in nursing. A 10 year college projection for teachers holding at least an M S N degree appears as follows:

<u>Year</u>	<u>Expatriate Faculty</u>	<u>National Faculty</u>
1979	1	2
1980	5	1
1981	10	1
1982	16	2
1983	17	8
1984	15	8
1985	8	15
1986	4	19
1987	1	22
1988	0	23

This projection for necessary faculty positions is based on admission of 50 students per year following the proposed curriculum.

D) Laboratory and Teaching Equipment:

At this stage and up to the end of the first school year, the College can continue its program with a minimum of laboratory equipment. Complete sets of required laboratory equipment have already been ordered and will be available during the current school year. A complete set of English language laboratory equipment is now in the Tel-Aviv Airport passing custom procedure. Most of the ordered equipment for the Nursing Laboratory, General Science Laboratory and Audio-visual teaching equipment are of American origin.

F) Library:

The library is still very poor. At this stage, it includes only 700 volumes which represent less than 5% of required capacity. The College intends to equip the library at a very high level so that it can serve not only the purposes of the students in the College but to be also a reference library for all the nurses and medical professionals in the West Bank and Gaza.

6. PROJECT RELEVANCE: (in view of passage of time and changing host country circumstances).

Since the Arab College of Nursing project was proposed the utmost need for staff nurses has increased. The imminent closure of the Lutheran World Federation/UNRWA's Staff Nurses Training Course at Augusta Victoria Hospital in Jerusalem will terminate the best reputed course of its kind on the West Bank. The College duplicates an initiative of Bethlehem University College of Nursing; but this mixed college has great difficulties in recruiting young women students. The majority of students at Bethlehem are young men, so that the Bethlehem University College of Nursing was willing to admit young women students with a very low Tawjihiya level of 50% to 60% compared with a minimum of 65% at the Arab College of Nursing. The College was determined to limit admittance to young women to encourage conservative Arab families permitting their daughters adopt nursing careers.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

The big need for degree nurses on the West Bank brings almost all concerned groups and officials to support the College. Also the affiliation of the College with the Red Crescent Society is a great support to the continuation of this program and to coordination with hospitals regarding practical training, internship and employment of graduates. Also, it became clear that Amman would support major development and operational cost of the College.

Regarding the program itself Dr. Obeid, the West Bank Director of Health and Director of Board is overseeing and directing the development and the policy of the College. The Director is a Palestinian with an MA degree in Nursing from the US; a qualification that is still rarely available in the area.

C. FUNDS EXPENDED:

Up to January 7, 1980 total costs of the project amounted to \$100,000. ANERA signed on February 16, 1979 a grant agreement with the Chairman of the Board of Trustees whereby ANERA provides an FY-78 AID/ANERA grant of \$10,000. The grant was fully paid by ANERA. Up to January 7, 1980 the following disbursements were made from the ANERA grant between August 1979 and December 1979.

1) Office equipment	\$ 9,272
2) Books	8,010
3) Teaching equipment	14,094
4) Laboratory equipment	45,000
5) Salaries	15,970
6) Scholarships	5,000

Total up to January 7, 1980 \$99,356

D. SUMMARY COMMENT:

According to Mr. Yasir Obeid's recent report to the East Bank Health Ministry on West Bank health services and facilities, there are now 35 trained (practical, staff) nurses per 100,000 inhabitants compared with 350 or more in the industrial nation.

There are currently six recognized courses of training, four 18-month practical nurses' training, two 3-year staff nurses' training.

Scheduled closure of the pioneer Lutheran World Relief/UNRWA staff nurses' training course at Augusta Victoria Hospital, Jerusalem (no new students entered last year; closure will take place after next year's class completes training) will further aggravate the shortage.

Bethlehem University's BSc nurses' training course remains unrecognized (along with BU itself) but will probably secure belated recognition this year. To date, nursing students have been predominantly men in spite of Bethlehem University's preference for admitting girl students. Next year it is planned to exclude men completely, thereby easing the social situation for prospective girl students from conservative families who oppose co-educational facilities. Since Bethlehem University itself will remain co-educational, this change may prove ineffective. However, the all-female BSc/nursing degree at Bethlehem University will compete head-on with Arab College of Nursing thereafter; and there will be no facilities available for male nurses to secure BSc/Nursing degrees.

Arab College of Nursing requires four years' service within the West Bank/Gaza Strip territories following graduation. Graduates will receive topped-up salaries equal to those paid their counterparts on the East Bank. This should reduce the high loss from the already inadequate number of nurses trained on the West Bank to East Bank and the Gulf states. Private hospitals in past have proved unwilling to pay salaries adequate to retain practical or staff nurses in the numbers needed; male and female "nurses' aides" trained on-the-job have made up the majority of staff. Without a substantial and permanent subsidy of the sort proposed by ACU, it is doubtful whether many trained graduates will choose to work at home.

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FY-78 ANERA INTERIM PROJECT EVALUATION

1. COOPERATING AGENCY : Gaza Municipality
(Neighborhood Sewer Project)
2. ADDRESS : P.O. Box 16, Gaza
3. DIRECTOR OR RESPONSIBLE OFFICERS : Rashad Shawa, Mayor;
Salah Issa, City Manager
4. PROJECT PROPOSAL SUMMARY:

This proposal is the third phase of poor neighborhoods sewer laying project. The first phase was implemented in cooperation with Gaza Municipality with MECC (Middle East Council of Churches) before 1977, the second phase with ANERA in 1977-1978.

This phase includes the following neighborhoods:

Project	Sewer Length	Pipe Diameter	Estimated Cost	Beneficiaries
1) Al-Qata' Str.	180 met.	8"	\$ 9,000	140
2) Al-Attibba'	100 "	8"	\$ 5,000	220
3) Biaret Misra'o	250 "	8"	\$ 12,500	110
4) Suan	200 "	8"	\$ 10,000	120
5) Ikhla'il	200 "	8"	\$ 10,000	150
6) Yemen	300 "	10"	\$ 20,000	300
7) Al-Mas'hahra	400 "	10"	\$ 26,000	600
8) Al-Shati' Refugee Camp (2nd phase)	700 "	10"	\$ 46,000	2,000
9) Siam	600 "	10"	\$ 40,000	200
Total estimated cost			\$179,000	
ANERA grant (\$9,000 was spent last year. Total grant, \$90,000)			\$ 81,000	

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The said neighborhoods are among the poorer quarters of the city. The inhabitants are unable to collect funds to cover the project costs. The major problem is the extremely bad sanitary conditions which are the result of the lack of a sewer system. The arrangement was made that project costs shall be shared between ANERA and the inhabitants of the respective neighborhood at a rough rate of 40%.

5. PROGRESS TOWARD PLANNED TARGETS:

The new plan includes nine neighborhood extensions which were put on the priority list of the Municipality (see Item 4). On top priority are Al-Qata' Str., Siam Str., Suan Str. and Khalail successively.

Al-Qata' Str. sewer project has already been implemented. It is 180 meters long 8" pipe with total cost of ca IL 280,000. Final cost reports are still unavailable. ANERA contribution is estimated at 50% of total costs. Al-Qata' neighborhood has 140 beneficiaries. The inhabitants are poor day laborers. Average monthly income of a family in this neighborhood is IL 2000 - 3000 i.e. less than \$100.

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The second priority was given to Siam neighborhood. The competitive bid went to Said Al-Abid Contracting Co. which implemented part of the 1977 sewer pipe plan of the Municipality. Siam neighborhood has the problem of being far away from the next sewer connection so that the line must be about 600 meters long and will cost ca \$40,000. The inhabitants are 200 people, and are poorer than any other area. The reason for such a relatively large grant for a smaller area is that the Municipality expects expansion of the city towards that area. Implementation will start during January 1980. The AMERA share will be proportionally larger than other neighborhoods. This exception was made because of the future importance of the project and after a request of the Municipality because the present group of inhabitants is so very poor.

A second group of neighborhoods are Suan and Khalail, where inhabitants' contributions are being collected. Implementation of Suan is expected to start by the end of January and of Khalail by the end of February 1980.

A third group is Al-Atibba', Biaret Bissio, Yemen and Al-Mahahra where inhabitants' shares have not yet been collected since many inhabitants are unconvinced of the value of the project compared with the money they pay.

Finally, Al-Shati' Refugee Camp project is the second phase of an earlier neighborhood sewer project implemented with Middle East Council of Churches before 1977. Many people object to contributing to the project since they are refugees who do not own the houses they live in, and don't want to pay money for sewer pipes they may not use in future. The project of Al-Shati' Refugee Camp is, therefore, still under consideration.

6. PROJECT RELEVANCE: (in view of passage of time and changing host country circumstances)

More neighborhood sewer projects are needed; that need recognized by both neighborhoods and the Municipality enabled an expanding program with major participation of the people of Gaza. Gaza Municipality has developed this type of cooperation with local people on projects of neighborhood interest to a greater extent than West Bank municipalities, and further expansion and diversification should be encouraged and assisted as of measurable value to Gaza city itself and a model for other towns to follow.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

The working relationship is simple: from among many applications for municipal assistance in undertaking and completing neighborhood projects, the Municipal Engineer reviews and recommends those in most apparent need who are willing to share cost in either cash or voluntary unskilled labor for priority attention. The Municipality plans the neighborhood branch sewer system, oversees selection of contractor and execution of the project

from beginning to end. Subject to availability of outside agency support or increased municipal funding to this purpose, the program will continue and expand.

8. FUNDS EXPENDED:

An FY-78 AID/ANERA grant of \$90,000 was exchanged (at a rate of IL 22.36 to the dollar) to IL 2,012,400 on April 24, 1979. Final accounting of Al-Qatta' neighborhood is still not available. Implementation of Siam neighborhood will follow in January 1980 and of the other project after April 1980. (see para 5 above)

Preliminary Estimates of Costs

A.	Sewer pipe length 8"	930 meters
	estimated total cost of one meter	IL 1,600
	Total cost of 8" projects	IL 1,488,000
B.	Sewer pipe length 10"	2000 meters
	estimated total cost of one meter	IL 2,080
	Total cost of 10" projects	IL 4,160,000
C.	Estimated total projects cost	IL 5,648,000
	ANERA share = 36%	IL 2,012,000
	Inhabitants share = 64%	IL 3,636,000

9. SUMMARY COMMENT:

Gaza Municipality has been uniquely successful in securing neighborhood participation in projects of community development. The pattern of cooperation evidenced by the AID/ANERA grant assisted branch sewer systems is by now familiar and accepted. It can be diversified in future. Within this highly congested, underdeveloped urban community much remains to be done. Helping neighborhoods who help themselves to the extent of their reasonable capacity to do so is a municipality initiative, and one that's proved workable to date.

FY-78 AID/ANERA INTERIM PROJECT EVALUATION

1. COOPERATING AGENCY : Hebron University Graduates' Union Polytechnic Institute
2. ADDRESS : P.O. Box 198 Hebron
3. DIRECTOR OR RESPONSIBLE OFFICER : Sami Ashhab, Dean
4. PROJECT PROPOSAL SUMMARY:

The Hebron Polytechnic is an initiative of the Hebron Union of University Graduates which was established in 1953 as a charitable society to raise the level of technical education in the Hebron area. The polytechnic opened in 1978. It is located in the middle of the town. It is the first and still is the only polytechnic in the West Bank.

The Institute is a post high school two-year polytechnic with four departments:

- 1) Electrical Engineering
- 2) Civil Engineering
- 3) Architecture
- 4) Mechanical Engineering

The rationale of the Institute and of these courses is based on the need to fill the gap between worker and engineer by polytechnicians. HUGU planned to start with a polytechnic to train 80 students in its first year.

The Institute includes 4 training laboratories and 2 workshops where students undertake their practical experiments:

- 1) Electrical laboratory
- 2) Physics laboratory
- 3) Civil Engineering laboratory
- 4) Mechanical Engineering laboratory
- 5) Mechanical workshop
- 6) Electrical workshop

5. PROGRESS TOWARD PLANNED TARGETS:

A) Students

The Institute started its second academic year 1979/80 on October 1st 1979. The first year 1978/79 started on November 18, 1978 and was concluded on September 31, 1979. Number of students as it is now and their distribution on the four departments of the Institute appear as follows:

	First Year	Final Year	Total Credit Hours for 2 years
Civil Engineering	18	14	110
Architecture	21	16	114
Mechanical	16	9	119
Electrical	14	14	109
Total	69	53	

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Total number of students in both years at the beginning of the academic year 1979/80 is 122 students. At this earlier the Institute has reached 50% of its planned capacity - 240 students will eventually train here. The basic requirement for admission to the Institute is the scientific or industrial certificate of secondary education ("Tawjihiyah").

By September 1980 the first group of graduates will be leaving the Institute.

f) Staff:

Administrative staff remains short by half. It now includes a dean, an accountant, a registry clerk and 2 secretaries. At this level the administration parallels the current 50% student capacity of the Institute.

Teaching staff is one of the major problems of the Institute. The availability of high qualified staff in respect to academic degree as well as to acceptable period of experience is very limited in the West Bank since very few highly qualified Palestinians come back after their graduation. All institutions of higher studies on the West Bank, i.e. universities, colleges, etc. seek most of their teaching staff among Palestinians abroad. Now the Institute has the following teaching staff:

- 1) 1 Ph.D. part-time teaching human studies
- 2) 1 MSc full-time teaching physics
- 3) 11 BSc

Total number of teachers is 13. These will be increased to approximately twenty when the polytechnic is fully started.

c) Technical Training:

Till now, training facilities in the institute are limited to theoretical demonstration and illustration. During the 1978/79 session, students were receiving training in the Arab Industrial Orphanage School in Kalandia which remains the only training facility until the Institute has its workshops established.

D) Laboratories

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1. Physics Laboratory

This laboratory is already furnished with the essential equipment. The teacher (ISC) assured us that with available equipment he is able to do 20 major experiments out of 50 required experiments. The remaining 10 experiments can only be explained theoretically. Additional equipment for this laboratory will be purchased as soon as funds are available. In general this laboratory serves first and second year satisfactorily.

2. Electrical Laboratory

The power section is 100% equipped, electronics section 20%. The motor section has been ordered from Sweden, delivery was January 1980. With this section the laboratory will be able to serve the Institute at its current enrolment.

3. Civil Engineering Laboratory

In money terms, approximately 20% in locally made equipment is available. This laboratory lacks 80% of its requirements - all foreign made items. Purchase awaits availability of funds.

4. Mechanical Laboratory

The Institute is still completely short of this laboratory which needs heavy equipment. Till now, no progress has been made to establish this laboratory since it would need much more money than other sections.

E) Workshops:

The building for the workshops will be located behind the present building. Ibrahim Abu-Ayash Consulting Co. in Amman is now engaged with construction designs. The building should be ready by the end of 1980. Students of 1980/81 should train in these workshops.

F) Library:

This vital facility is still a very poor one. Both reference and text books are short.

6. PROJECT RELEVANCE: (in view of passage of time and changing host country circumstances)

On the West Bank there are three universities and three industrial secondary schools beside the Hebron Polytechnic. The Nablus Al-Najah national university and the Bir Zeit university have already started their engineering faculties this year, and their engineering students will be graduated in 1985. The three industrial secondary schools run secondary

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school technical programs of three years and acquire technical pre-polytechnic diploma. Their graduates are able to continue studies in polytechnic institutes.

The Hebron Polytechnic is placed in the middle position between the industrial schools absorbing part of their graduates and the universities filling the gap between skilled manual labor and academic engineers.

The polytechnic is a pioneer institution on the West Bank and finds general private and official acceptance especially by the West Bank Council of Higher Education and the Hebron Municipality.

Professor Norman C. Hunt of Edinburgh University (UK) visited the Institute in July 1979 on invitation of West Bank Council of Higher Education. Professor Hunt appreciated the strategy behind creating the Polytechnic and recommended further emphasis on polytechnic sector.

The Institute was approved by the Jordanian Ministry of Education and by Israeli Military Authorities.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR INTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

Shortage of funds and of qualified staff are in the meantime problems which affect the progress of the program and the quality of training in early sessions, especially regarding practical training.

8. FUNDS EXPENDED:

During the year ended on December 31, 1979 the following financial statement shows revenues and expenditure:

Revenues	JD	Disbursements	JD
Tuition fees	14,050	Salaries	25,043
Hebron Municipality		Travel & Sundries	2,468
grant	35,000	Insurance	176
Transfers from Amman		Other	75
Branch	15,000	<u>Capital Expenditure</u>	
Other private	162	Construction	7,030
ANERA grant	48,230	Furniture	5,607
(Cash at 1.1.79)		lab. equipment	69,426
		Books	643
		Sub-Total	110,468
		Balance of last year	1,974
Total	112,442		112,442

JD 19,430 were spent during the last quarter of 1978. Total expenditure up to December 31, 1979 were JD 151,851.950 which equals \$446,846.25 at a rate of \$3.39 to the Dinar. This amount was spent on the following:

1) Building (extension)	\$391,144
2) Equipment and furniture	107,224.25
3) Running cost	<u>48,478</u>
	\$446,846.25

The ANERA grant was spent on purchasing laboratory equipment (1) as follows:

	<u>US \$</u>
1) Furniture for electric and civil laboratories	21,100
2) Surveying equipment	18,710
3) Fitting workshop	14,500
4) Physics laboratory equipment	15,827
5) Civil laboratory equipment	21,345
6) Electronic and electrical laboratory equipment	<u>60,292</u>
Total	\$151,857

This total includes \$150,000 which represents FY-78 AID/ANERA grant. The remaining \$1857 were spent from the Union's own budget. AID/ANERA FY-78 grant represents 36% of total cost up to December 1979.

9. SUMMARY COMMENT.

The Institute is now facing some problems in the implementation of its program in the fields of priorities, quantity and quality of laboratory and workshop equipment as well as in the administrative field.

The British Counsel will sponsor Professor Dr. J. Dickson from North Staffordshire Polytechnic (UK) to provide HUGU technical and administrative advice. Dr. Dickson will stay for 21 days from the 28th of March 1980.

30 -12- 1979

(1) All equipment was locally purchased

FY-78 AID/ANERA INTERIM PROJECT EVALUATION

1. COOPERATIVE AGENCY : The Cooperative Society for Olive Oil Pressing and Marketing its Products in Hebron District - Tarqumia
2. ADDRESS : Tarqumia Village - Hebron
3. DIRECTOR OR RESPONSIBLE OFFICER : Mr. Wahid Amleh - President
4. PROJECT PROPOSAL SUMMARY:

The project was proposed to assist the Tarqumia Cooperative to acquire a modern machinery unit to undertake a long-term land reclamation program. Tarqumia is located 12 kilometers to the west of Hebron city, surrounded by a 15 village area covering one third of Hebron District.

The machinery unit was proposed to include one large bulldozer, five tractors and related equipment. Total cost of the project was estimated at \$240,000. ANERA has provided an FY-78 grant of \$120,000.

The proposal was part of a larger project: Tarqumia land reclamation machinery unit would serve one third of Hebron district's need for land reclamation, the rest of the district would be served by two complementary cooperative units in Halhul and Dura. Land reclamation needs of the Hebron district have been estimated by the Hebron Department of Agriculture at 1,800 dunums a year. Each of three cooperative units should reclaim approximately 600 dunums a year, i.e. 60 dunums a month (a bulldozer works approximately 10 months a year and is inactive throughout two winter months).

The Tarqumia unit was proposed to serve approximately 4,000 farmers of the western area of Hebron district and thereby share with the FY-79 proposed Halhul machinery unit the "Western-Belt" area bordering Israel.

5. PROGRESS TOWARD PLANNED TARGETS:

ANERA signed a grant agreement with the cooperative on November 7, 1978 whereby ANERA contributes \$120,000 to project costs and the rest of the costs shall be provided by the cooperative. The grant amount of \$120,000 has been fully paid to the cooperative.

The cooperative has already purchased the following equipment:

<u>Equipment</u>	<u>Type</u>	<u>Date of Purchase</u>	<u>Price</u>
1. Bulldozer	955L Caterpillar	Aug. 1979	\$103,000
2. Field tractor	6600 Ford	June 1979	\$ 14,195
3. Orchard tractor	3600 Ford	June 1979	\$ 11,000
4. Plough	local	Oct. 1979	\$ 200
		Total.	\$128.395

FY-78 AID/ANERA INTERIM PROJECT EVALUATION

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		Total:	\$128,395

The major increase in cooperative membership - from 700 to 807 within the three months since the project began is the most unmistakable evidence of project success to date and faith in its future potential. Membership is expected to exceed 1,000 by the end of this year.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

Strong support by the Hebron cooperative department from the time when the project was first discussed two years ago has influenced the equally strong commitment by the cooperative membership. The cooperative has been fortunate in securing the services of an exceptionally dedicated and competent project manager whose salary and costs are paid for by Jordan Cooperative Organization/Amman.

The Tarqumia project should be further strengthened in FY-79 by the introduction of the AID/ANERA \$100,000 revolving loan fund for individual farmer/members undertaking land reclamation beyond their immediate means. Finally, The Jordan Cooperative Organization, recognizing the potential significance of the district-wide land reclamation program, plans to make available a long-term low-interest loan from the Cooperative Bank totalling between JD 100,000 (\$330,000) and JD 150,000 (\$445,000) within the next six months (pending Israeli approval).

8. FUNDS EXPENDED

Up to November 30, the cooperative has spent the following amounts on machinery and equipment:

\$103,000	Bulldozer 955L Caterpillar
25,195	Two tractors
	1) Ford 3600
	2) Ford 6600
<u>200</u>	<u>Deep-plough, local</u>
\$128,395	Total

9. SUMMARY COMMENT:

Periodic feasibility report:

3-month Report (August 27 - November 30)

A. Operation Costs

27/8/1979 - 30/11/1979

	<u>In IL</u>
1. Salaries ⁽¹⁾ and overtime compensation (Drivers' salaries	33,990
2. Fuel 8400 litres	56,878
IL 61 per litre until 15/11/79	
IL 76 per litre after 15/11/79	
3. Oils and Fats	7,430
2 services at IL 3500	
IL 430 additions of oil	
4. Maintenance	5,470
(Oil filter, solar filters, guma, fuses etc.)	
5. Depreciation (10%) based on original price of IL 2,643,795)	72,000
6. Others - Transportation of bulldozer, of personnel and of fuel to the bulldozer field of work	7,885
<hr/>	
Total (actual)	183,653

B. Income from bulldozers' work for 40 members
at a price of IL 500 per hour.

Total land reclamation was ca 525 hours

Total gross income	IL 262,360
Net income	78,715

C. Benefit/Cost/Ratio

1) Gross actual costs, plus IL 10,000 as
project manager's salary, plus
10% (eventuals esp. for maintenance
fund, inflation etc.)

Total estimated costs IL 213,018

2) Income (of three months) IL 262,360

3) Benefit/Cost/Ratio Estimates (1.28)

which indicates a feasible operation from
August 27 - November 30.

(1) Project manager's salary does not appear on these records.
It is paid by JCO.

FY-78 AID/ANERA INTERIM PROJECT EVALUATION

1. COOPERATING AGENCY : Beit Jala Olive Press Cooperative
2. ADDRESS : P. O. Box 4, Beit Jala/West Bank
3. DIRECTOR OR RESPONSIBLE OFFICER : Judeh Araj - Chairman

4. PROJECT PROPOSAL SUMMARY:

This cooperative project proposes establishment of a modern soap factory utilizing "jift", a residue from olive extraction. Jift retains between 3 and 5% oil and fatty acids essential for soap making. The cooperative will purchase jift from its 700 members along with 2,300 non-members who press olives there. Jift will also be purchased from both cooperative and private olive presses elsewhere on the West Bank. The major output will be a high-quality toilet soap equal in quality to imported soaps. The proposed factory will include:

- (1) An automatic continuous-vacuum soap plant;
- (2) A semi-boiled saponification plant.

Total project cost is currently estimated at \$465,000. ANERA's grant comes to \$120,000.

5. PROGRESS TOWARD PLANNED TARGETS:

After securing and reviewing competitive bids, representatives of the cooperative visited West Germany and Italy from mid-July to early August, 1979 to see the equipment for themselves. An Italian firm, Gariboldi and Co., was selected finally. Revised \$465,000 estimate is broken down as follows:

	<u>Prices/Costs</u>
(1) Machinery and equipment:	
a) Vacuum line unit and semi-boiled saponification plant	\$ 217,507
b) Steam generator	27,000
c) 6 pumps, electric equipment etc.	13,000
d) Local soap producing line unit	<u>26,775</u>
(Total FOB prices)	\$ 280,281
Discount	<u>5,000</u>
Net Total FOB	\$ 275,281
(2) Cost of Freight, VAT, Insurance, LC etc. (20% of FOB)	\$ 55,056
(3) Locally available equipment for saponification unit, including oil container, boilers (25,000 litre size) pipes, other	\$ 60,000
(4) Raw materials (3 months)	<u>\$ 75,000</u>
Total cost estimate	\$ 465,337

On 1 September 1979, the cooperative's executive committee agreed to pay Gariboldi and Co. on the following schedule:

25% to be paid on date of issue of Letter of Credit, 31/8/79;

30% due upon shipment;

35% due December 1980;

10% due 12 months after installation of machinery (within three months of arrival). Manufacturer will send an expert to install the machinery.

Machinery is due by early February 1980 - i.e. 120 working days from signing of agreement. The factory should begin work by April 1980.

6. PROJECT RELEVANCE: (in view of passage of time and changing host country circumstances).

Since the Cooperative's final decision to proceed with the soap factory project eighteen months ago, both cooperative membership and the JCO (Jordan Cooperative Organization, Amman) have maintained their original enthusiasm. Agreement in principle has been secured from Amman for export of part of West Bank production via Allenby Bridge.

The Cooperative's original estimate of total cost proved 55% underestimated (a chronic problem with the majority of proposals), world-wide inflation, devaluation of the US dollar and harsh decline of the Israeli lira accounting for perhaps 25% of the current upward revised estimate. Lira costs include operation of the olive press along with construction and local purchase expenditure.

This project, like others with Deir Sharaf, Ein Sinya, Tarqumia Olive Press Cooperatives, represents an effort to provide cooperatives of proven competence with another initiative which can be sustained more or less throughout the year (olive presses in a very good year may work for 90 days, but in this past very bad year worked less than thirty days; they worked by day only rather than the 24-hour processing which takes place when the season is a good one).

JCO has provided full salary and related costs for a Project Manager to enable Tarqumia's Land Reclamation project to develop efficiently; they will provide a comparably qualified manager for Beit Jala. A long term low interest loan tentatively approved at JD 100,000 (\$330,000) should become available from the Amman Cooperative Bank within the coming months provided that the Military Government approves acceptance of JCO funds for this (MG-approved) project.

Beit Jala's toilet soap should prove of unmistakably superior quality to the output of two or three private manufacturers. With JCO support, the Cooperative will attempt to secure access to two major East Bank outlets, the Government Civil Servants Commissary and the Army Commissary.

Generally speaking, introduction of detergents in past years has reduced the market for natural washing soap, but recently introduced anti-pollution controls may restore that market in part. The Cooperative plans to undertake a strong promotion campaign on behalf of its new products. Also, the East Bank decision to provide a major increase in support of West Bank cooperative projects should facilitate development of new and growing markets at home and abroad.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

The Beit Jala Olive Press Cooperative is one of the strongest on the West Bank with an effective executive committee (its chairman is also president of the Union of Olive Press Cooperative). They plan to produce a local soap comparable in quality to imported soaps with the extra advantage of a jift base uniquely attractive in the Arab world where olive oil remains an expensive staple.

Traditional cottage industry or simple-factory produced "Nabulsi" soap has been marketed profitably in the Arab world long since. Meanwhile, much of the local market for toilet soap has been captured by imports. The new jift-based toilet soap will attempt to recapture a growing part of this local market.

The cooperative's original estimate of project cost was \$300,000; the revised current estimate is \$465,000 - a 55% increase confirmed by final review of competitive bids and acceptance of that from Gariboldi and Co., Italy. To meet increased project cost, cooperative members have been asked to purchase "shares" valued at JD 25 (\$83) instead of the previously agreed upon JD 10 (\$33). The balance of the \$290,000 current shortfall will be covered by income from this and next seasons' olive pressing. Meanwhile, the cooperative has funds on hand as follows:

1) ANERA grant	\$120,000
2) Balance of operation	57,300
3) Loan from the Cooperative Bank in Amman	13,200
4) New shares purchased by old members, JD 1 per share	<u>12,000</u>
Sub-Total	\$202,500
Less 1st payment for LC	<u>68,820</u>
Total	\$133,680

8. FUNDS EXPENDED:

The Cooperative opened a letter of credit on August 31, 1979 with Leumi Bank in Jerusalem. They paid \$68,820.25 or 25% of the cost of purchased equipment. Balance of payment will follow according to the agreement reached (described in para 5 above).

9. SUMMARY COMMENTS:

Feasibility of Production Program

The Cooperative plans to produce 3 tons of soap per 6-hour single-shift working day. Daily production will be split between local style soap and toilet soap in a proportion (60%) 1800 Kgs. and (40%) 1200 Kgs. respectively. Total cost and profit estimates are combined as follows:

Annual Cost Estimates

1) Administration	\$ 29,900
2) Other running costs	\$ 20,200
3) Depreciation (7% - 10%)	\$ 28,000
4) Raw material (oil, caustic soda, minerals, packing materials)	
a) Local style (1800 Kgs)	\$ 437,778
b) Toilet (Normal) (1200 Kgs)	\$ 477,576
c) Toilet (fine) (1200 Kgs)	\$1,009,800

Benefit/Cost/Ratio

1) Costs

a) Local style (1800 Kg/day)	
b) Toilet (Normal) (1200 Kg/day)	
Total	\$ 993,500
+ 10%	<u>99,350</u>
Total	\$1,092,850

2) Income

a) Local style (Kg price 300 fils)	\$ 641,520
b) Toilet (Normal) (Kg price 460 fils)	<u>655,776</u>
Total	\$1,297,300

(3.a) Benefit/Cost/Ratio (1.19)

4) a) Local style (1800 Kg/day)	
b) Toilet fine (1200 Kg/day) price 850 fils	
Costs (incl. 10%)	\$1,592,300
Income	\$1,853,300

(3.b) Benefit/Cost/Ratio (1.16)

Note: a) working days 360 days a year
b) exchange rate: 1 JD = \$ 3.30

FY-78 AID/ANERA INTERIM PROJECT EVALUATION

1. COOPERATIVE AGENCY : Nazla Sharqiya Water Cooperative
2. ADDRESS : Nazla Sharqiya, Tulkarm District,
West Bank
3. DIRECTOR OR RESPONSIBLE OFFICER : Mustafa Kittaneh - Chairman
4. PROJECT PROPOSAL SUMMARY:

The project was proposed to assist the Nazla Sharqiya Cooperative to improve the operation of its existing irrigation well system by installation of a new submersive pump and related equipment together with a small 8x6 meters concrete building. The project serves 27 cooperative members and 20 non-member farmers representing 50% of the 1000 inhabitants of the village. The irrigated area is ca 500 dunums and is expected to be expanded to 1000 dunums after the farmers implement a land reclamation program of a proposed Tulkarm regional agricultural cooperative for land reclamation.

Total cost of the project is \$54,000. ANERA grant is \$30,000.

5. PROGRESS TOWARD PLANNED TARGETS:

The purpose of the project is to replace the since 1967 operating pump. The problem was that well casing has broken 24 times since 1968, i.e. twice a year and has to be removed and replaced every time it broke with an average cost of \$1500. The pump itself broke twice since then and was replaced with very high cost. The reason for these damages according to an "inclination test" of West Bank Water Department, was an angling of the 160 meter deep well between 103 and 118 meter depth. The West Bank Water Department has solved the problem of the crooked well and the new equipment was installed.

The Nazla Sharqiya Cooperative had signed a grant agreement with ANERA on February 2, 1979 for a grant of \$30,000 which was fully paid to the cooperative. The equipment was imported and is operating since June 1, 1979.

A) Building, installation and miscellaneous:

The building (8 x 6 meters) is already in final stage of construction. Only the roof is still to be finished by the end of December 1979.

Sub-Total Cost	\$ 5,908
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B) Equipment

1. Electric generator	\$22,277
2. Submersive pump	20,277
3. Pipes	5,538
Sub-Total	\$48,092
Grand Total	\$54,000

The well is producing 82 cu. meters of water per hour, 52 cu. meters for the area around the well and 30 cu meters for Khalail Abu Khali. It works 14 days a month over two cycles each seven successive days for 10 hours a day. The well is proposed to work 7 months a year only, and stop working during the 5 winter months of each year.

The surface pump serves at this time the area of Khalail Abu Khali, 3 kilometers from the well by ca 30 cu. meters an hour. The rest of 52 cu. meters goes for the area around the well produced by the ordinary pump.

Also, there is an artificial pool near the well used to provide drinking water for approximately 150 sheep and goats from other West Bank areas which are guided to the pastures of Tulkarm and Jenin area nearby this well.

6. PROJECT RELEVANCE: (in view of passage of time and changing host country circumstances).

This project was undertaken to solve the problem caused by a crooked well. Under more normal circumstances, another well would have been sunk at only slightly higher cost than salvaging the original well, but well-sinking permits under occupation have been limited to drinking water only. Therefore, the old well has had to be put back into working order by sinking a submersible pump (similar pumps have solved the same problem for other West Bank crooked wells). . . . The well has been operative since June 1st. Citrus groves which had been nearing destruction for want of water throughout May (when the last repair to the old pump broke down again) have been saved. New vegetable plots have been planted (cucumber, tomato, cabbage, green bean, etc.) now that farmers have reasonable assurance of an uninterrupted water supply.

7. INTERNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILURE:

The Nazleh Sharkiya irrigation cooperative has secured technical guidance of the West Bank Water Department. The Agricultural Extension Department has also assisted. The Cooperative Department functions as liaison to outside Departments, and, in addition, to the Jordan Cooperative Organization, Amman. JCO has been requested to provide a low-interest loan to extend provision of water to another 250 dunums; JCO has approved a JD 16,000 (\$53,000). The cooperative must provide JD 5,000 (\$16,500) from its own resources. The JCO loan will enable the cooperative open land to cultivation, and also cover purchase of seeds, sprays and other requirements. Loans to individual farmers will be included as funds permit.

8. FUNDS EXPENDED

The cooperative has expended ca IL 1,209,153 on the project. The costs should actually be higher than this amount but most of the work has been done as a donation by cooperative members.

Actual payments according to a financial statement of the cooperative shows the following expenditures on the project and the financial sources as follows:

A. Actual Payments

	<u>in IL</u>
1. Electric generator (Tagrin Co.)	498,792
2. Submersible pump (Tagrin Co.)	454,000
3. Installation and construction	132,361
4. Pipes (Hasan Toleh Co., Gaza)	124,000

Total IL 1,209,153

which equals \$54,000 at an average exchange rate of IL 22.39 to the dollar.

B. Financial Sources of Expenditures

1. ANERA grant (\$30,000) ⁽¹⁾	IL 584,100
2. Member shares	514,887
3. Member debts	53,225
4. Other	56,941

IL 1,209,153

which equals \$54,000 at an average exchange rate of IL 22.39 to the dollar

9. SUMMARY COMMENT:

The Nazla Sharqiya project was the first ANERA project in the area of irrigation. The cooperative has successfully implemented the project in conformation with the agreement with ANERA. ANERA staff made several field visits to the project. In the last visit in September 1979 the economic feasibility of the project was confirmed according to following income/cost relationship:

(1) Converted at an official exchange rate of IL 19.47 to the dollar on February 13, 1979.

Income/Cost Analysis (Prices of November 1979)

A) Operation Costs

1. Fuel, 30 litre solar per hour 10 hours a day, 14 days a month, 7 months a year. 1 litre cost: IL 7.155 Annual cost of fuel consumption	=	IL 210,357
2. Motor Oil (340 S) 24 litre motor oil service, every 300 working hours. litre costs: IL 54.7 Annual cost	=	IL 3,936
3. Mechanist Works 14 days a month, 7 months a year Annual salary	=	IL 29,400
4. Depreciation 10% machinery, 5% building and pipes	=	IL 107,500
5. + 10% miscellaneous	=	IL 35,119
<hr/> Total Cost		IL 386,300

B) Annual Income

82 cu meters/hour = IL 450 10 hours a day, 14 days a month, 7 months a year	=	IL 441,000
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C) Benefit/Cost Ratio

= (1.14)

Indicating a profitable operation
of the project.

FY-78 AID/ANERA INTERIM PROJECT EVALUATION

1. COOPERATING AGENCY : Al-Najah National University
2. ADDRESS : P.O. Box 7, Nablus
3. DIRECTOR OR RESPONSIBLE OFFICER : Dr. Kayed Abdul-Haq, President

4. PROJECT PROPOSAL SUMMARY:

The project was proposed to assist the newly created university to establish laboratory facilities for its science faculty which consists of the following departments:

- 1) The Physics Department
- 2) The Chemistry "
- 3) The Biology "
- 4) The Mathematics "
- 5) The Civil Engineering Department

The laboratory equipment needed would add up at an estimated total of \$1,074,000. ANERA grant makes circa 9% of total estimated equipment costs of the Science Faculty.

5. PROGRESS TOWARD PLANNED TARGETS

A) General Development of the University

The University which started three years ago with 700 students has now approximately 2000 students in five faculties: The Faculty of Arts, the Faculty of Science, the Faculty of Economics and commerce, the Faculty of Engineering, the Teachers Institute and the Institute of Education.⁽¹⁾ The Faculty of Engineering was begun last year and depends mostly on the staff of the Faculty of Science. The following table shows the distribution of students on various faculties and institutions of the University, where the Faculty of Science appears as a major department of the University:

<u>Faculty</u>	<u>No. of Students</u> <u>(Autumn Semester 1979)</u>
1. Faculty of Arts	636
2. " " Science	331
3. " " Ec. & Commerce	471
4. " " Education	
a) Teachers Institute (1)	334
b) Institute of Education.	157
5. " of Engineering	40
<hr/>	
Total	1969

The teaching staff increased this semester (autumn 1979) to 109 teachers: 19 doctors, 44 masters and 46 bachelors. The staff of the science faculty appears as follows:

(1) A junior college of two-year courses

Faculty of Science Teaching Staff

	<u>Doctors</u>	<u>Masters</u>	<u>Bachelors</u>
Biology Dept.	1	5	1
Chemistry Dept.	2	4	2
Physics Dept.	-	5	1
Mathematics Dept.	1	3	7

The newly established faculty of engineering depends temporarily on teachers of the science faculty in its first academic year.

However, the University is planning to increase the teaching staff to include a number of masters and doctors of various specializations to upgrade the quantitative and qualitative standard of the staff.

Also the University sent to the USA through the AMIDEAST three Ph.D candidates in the academic year 1978/79 and one M.A. candidate in 1979/80. The University has also agreed with AMIDEAST to send in 1980/81 14 faculty members to the US to acquire MAs and Ph.Ds. Eight of these will be from the Faculty of Science: 2 Ph.Ds in Mathematics, 1 Ph.D in Biology, 2 Ph.Ds in Physics, 1 Ph.D in Chemistry and 1 Ph.D in Agriculture. The candidates will stay 3 - 5 years in the United States and have to resume their work in the University after their graduation.

B) Science Faculty Equipment Project

ANERA FY-1978 project with the University was to assist the Faculty of Science to acquire laboratory equipment. Total cost of the project is now estimated to exceed one million dollars of which ANERA contributed \$95,000. ANERA signed a grant agreement with the University on November 8, 1978. After that basic laboratory equipment was purchased or ordered. Already purchased equipment stood as follows as of 30 November, 1979.

Equipment Cost (Cif) US/\$

1. Biology Department	166,000
2. Physics "	171,600
3. Chamistry "	<u>184,600</u>
	\$ 522,200

The rest of equipment is currently subject to bidding procedure. The ANERA grant was disbursed on August 1978 and is part of the above-mentioned total disbursements.

C) Capacity of Laboratories compared to Faculty Needs

The above mentioned equipment covers circa 40% of the needs of the faculty of science. However the Departments made their requests for initial equipment to equip their laboratories with the basic apparatus, accessories and materials needed for the basic experiments of the courses of the first, second and third academic years. The fourth year when students must prepare themselves for graduation is 1980/81. For that fourth year the laboratories still lack most of the necessary equipment needed for the required experiments.

Generally, the laboratories have the following problems:

1. Equipment is of minimum size, so that classes must be divided into groups to use the laboratories.
2. The area of the laboratories is too small. Each laboratory is located in a 6 x 8 meters room. This results in the fact that, together with limited number of equipment, the students cannot work freely in the laboratories and they cannot repeat the experiments.
3. According to Department Heads who studied or visited the laboratories of the University of Jordan in Amman, the Al-Najah University laboratories of the Science Faculty make up at most 15% of the size, capacity and efficiency of the laboratories of science faculty at the Jordan University.

6. PROJECT RELEVANCE: (in view of passage of time and changing host country circumstances)

There have been misgivings expressed, some generous, some sour grapes, concerning Al-Najah's late arrival and rapid expansion on the West Bank university scene. Whatever one's attitude, Al-Najah obviously has access to major funding from the Arab World; since it opened as a university in 1977 with between seven and eight hundred students it has admitted second year and last October third year students with its current student body exceeding two thousand - the largest of the three West Bank Universities. Growth has been uneven and ominous forebodings about sacrifice of quality for quantity proliferate. But quality appears likely to catch up with quantity. Coordination among the three West Bank Universities has improved measurably this past year.

The FY-78 AID/ANERA grant of \$95,000 to provide laboratory equipment was minor but effective support of the initial development of the University.

7. INTEETNAL PROJECT DESIGN ELEMENTS AND/OR EXTERNAL FACTORS CAUSING SUCCESS OR FAILUE:

Al-Najah University is the largest university on the West Bank regarding the number of students. It grew by ca 700 students a year. The University's development plan shows a yearly growth in the number of students by 850 - 1425 till 1984/85. Total number of students is planned to reach 5380 in the academic year 1984/85.

According to its development plan, the University will includenine colleges in 1982/83 as follows:

<u>College</u>	<u>Date of Establishment (or planned date)</u>
1) College of Arts	1977/78
2) College of Science	1977/78
3) College of Education	(1965/66)
4) College of Economics	1978/79
5) College of Engineering	1980/81
6) College of Nursing	1980/81
7) College of Agriculture	1981/82
8) College of Medicine	1982/83
9) College of Fine Arts	1982/83

Regarding financial sources, the University is strongly backed by rich Nabulsis in and outside the West Bank. The University has also access to Arab private, official and joint funds so that raising funds is no problem for the University.

The major problem of the University is the shortage of highly qualified and sufficient number of faculty members. As mentioned above, the University is sending faculty members to acquire higher academic degrees and is trying to recruit enough lecturers to cover the growing need of the University.

8. FUNDS EXPENDED:

In November 8, 1978 ANERA signed an agreement with the University under which ANERA contributes with \$95,000 to the costs of laboratory equipment to the faculty of science.

This ANERA/AID grant of FY-78 was paid to the University and was disbursed in August 1979.

9. SUMMARY COMMENT:

Already the largest of three West Bank Universities, Al-Najah has just completed its development plan to 1990. They have scheduled a College of Nursing (possibly to affiliate the Arab College of Nursing) for 1980-81, a College of Agriculture for 1981-82 and a College of Medicine along with a Fine Arts College in 1982-83. The new Development Plan is attached.

Because of its location within the most fertile and productive upland area of the West Bank, Al-Najah is the logical university to develop an Agriculture Faculty. Discussions have been held with Musa Alami in Jericho concerning prospective utilization of this site for the Faculty. Further preliminary discussions are underway concerning utilization of the Khadouri Institute, Tulkarm which possesses excellent facilities underused currently (Khadouri serves as a secondary teachers' training institute).

If Al-Najah decides to proceed on schedule with the Agriculture Faculty, we would strongly recommend a major grant in support of that initiative. This would involve a request to the GOI to release Khadouri to Al-Najah as a good will gesture (on grounds that the pre-67 \$1,000,000 in USAID-donated equipment is seriously underused, and the Al-Najah plan merits GOI support). It would also involve an American Land Grant College to provide certain key faculty at the outset for optimum development of the Faculty.

4 December, 1979