



CHF International / West Bank and Gaza

Empowering Palestinian Local Authorities (EPLA)

2nd Quarterly Report
1 January 2006 - 31 March 2006

Cooperative Agreement # 294-A-00-05-00242-00



Um El-Nasser (North-Gaza) Rapid Response activities: Solid Waste Clean-Up Activities

Implementing PVO: CHF International – West Bank / Gaza in Partnership with ARD Inc. and
Center for Engineering and Planning

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1.0 EXECUTIVE SUMMARY

On September 30, 2005, the United States Agency for International Development (USAID), signed Cooperative Agreement No. # 294-A-00-05-00242-00 awarding CHF International (CHF) the sum of \$20,999,952 to implement the **Empowering Palestinian Local Authorities (EPLA)** program in the West Bank and Gaza Strip. The overall goal of the EPLA program is: **“to develop an enabling environment and operational framework for an effective, empowered and democratic local governance system in the WBG,”** in support of USAID’s vision of a sovereign, independent, and viable Palestinian state living side by side in peace and dignity with Israel. Related to this goal, the overarching challenge is how to enable a functional, balanced and constructive relationship between the emerging Palestinian state and its sub-units, which is premised upon and captures the power of local autonomy, democratic processes, transparency, and shared resources. Inherent in this goal is the necessity of both national and local perspectives to arrive at a consensus vision of how Palestinian governance will be structured for the long term. This second quarterly report covers EPLA activities from January 1, 2006 to March 31, 2005.

The outcomes of the December 15, 2005 municipal elections and the January 25, 2006 Palestinian parliamentary elections, in which Hamas won a majority, resulted in a shift in USG assistance policy to the recently formed Palestinian Government including directives to USAID Grantees to adhere to a no-contact policy with the Hamas controlled government and FTO controlled municipalities. In light of the shift in assistance policy to a humanitarian focus, EPLA has been working closely with USAID to ensure the program resources and mechanisms support the implementation of the humanitarian assistance agenda while continuing its democratization activities.

Despite the political changes and new directives during the second quarter, EPLA has achieved significant results through its Rapid Response Activities focused on staff development and preparation of studies/needs assessments that are relevant to the new context. Progress has been made in five of the nine planned Rapid Response Activities including projects in Bethlehem Governorate (nearly completed), Nablus/Jenin Governorate, Um El Nasser, Qarara and Khan Younis. The projects in Jenin city, Nablus and El Bireh were cancelled by USAID and the one planned for Hebron has been postponed until further notice.

Staff development and program preparation activities have been significant during this quarter as EPLA is fully mobilized. A staff development workshop was held in February, 2006 to orient the team on EPLA original objectives and strategic approaches. This workshop was fundamental to program cohesiveness as the entire staff from all EPLA offices attended the workshop which provided an opportunity to create a one team environment. Selected EPLA staff members also participated in a PASSIA seminar on Civics, Governance and Community Participation held in March which was in line with EPLA’s community approach. Senior staff have been busy during this quarter brainstorming and preparing various concept papers in response to the changing political environment and the continuously evolving socio-economic context. Three concept papers have been submitted to USAID and various needs assessments and studies on local governance laws and practices have been undertaken.

Difficulties encountered this quarter surround the current instability of the political situation. Security concerns increased following the Jericho prison incident on March 14, 2006. Movement for EPLA’s staff continues to be difficult due to closures and movement restrictions. Rapid Response Activities in Gaza were significantly affected by the reduction in availability of construction materials due to the closure of Karni crossing.

There are no financial issues to be reported, except that the program is substantially under-spending during the reporting period awaiting new directives from USAID on program direction.

Annexed to this second quarterly report are five documents. The first three are the Concept papers developed by EPLA senior management in response to USAID requests and include: A Legal Overview of Palestinian Local Government, EPLA CONCEPT PAPER 1: EPLA Post Election Concept Paper and EPLA CONCEPT PAPER 2:

The New Humanitarian Agenda – A Community Centered Approach. The last two documents include reports on the two staff development workshops. The first is the report on the EPLA and MoLG workshop held in December, 2006, and the second is the report of the Staff Development Workshop held in February, 2006.

2.0 EPLA ACHIEVEMENTS – QUARTER 2

2.1 Administrative and Logistical Activities:

Staffing and Office Establishment:

Two ARD positions were advertised and filled during this quarter:

- Dr. Hussein Al A'raj, has been hired as Senior Consultant; he was under three different Ministers the Deputy Minister of Local Government (MoLG).from 1994 till 2005
- Ms. Tamara Tamimi has terminated her CHF EPLA employment as of March 31, 2006, and accepted the position of Consultant for ARD EPLA as of April 1, 2006.

Hiring of EPLA staff in Ramallah, Bethlehem, Nablus and Gaza has been completed except for engineers and one driver. Rental Agreements for all EPLA offices have been signed.

In January, a market survey for vehicle purchases was completed. Evaluations of the bids were carried out and a waiver request was submitted to USAID, approval has been deferred until USG guidance is received. A request to USAID for the purchase of cars, a shift of LIBERTY cars to EPLA Gaza, and using rental cars is under consideration. The EPLA IT Specialist traveled to Beit Sahour and Nablus to complete installation of the internal network, computers and equipment for EPLA staff. The offices became fully operational during the first week of February 2006. There is a pending request for expanding the already granted waiver for source and origin on equipment and furniture of \$83,488 by \$7,973 for a total value of \$91,461.

Visits:

CHF International's Regional Program Director for the Middle East and Africa, Mr. Bruce Parmelee, visited the West Bank from March 30th to April 1st, 2006. On March 31st Mr. Parmelee and the EPLA management team visited the Beit Sahour office where they met with EPLA staff and USAID CTO, Samah Khoury. Mr. Parmelee spent significant time discussing the EPLA program and the various strategies that are being developed by the EPLA team in coordination with USAID to respond to the emerging situation.

AIP:

The first AIP was scheduled for January 31, 2006 and was fully developed by the EPLA team based on its original objectives. USAID requested that EPLA hold off on submission until further notice. EPLA is still awaiting guidance from USAID and will submit the AIP as soon as a request from USAID is received.

Coordination with EPLA Partners:

Cooperation and contacts with both ARD and CEP are strong and well-functioning.

For CEP, a nationality waiver¹ was requested from USAID. However, no decision was received so far.



Mr. Bruce Parmelee (CHF MENA Regional Program Director) and Ms. Lana Abu Hijleh (CHF Country Director) speaking at staff meeting in Ramallah on March 30, 2006.

¹ Submitted to USAID on December 9, 2005

Coordination with USAID:

The EPLA team maintains frequent contact with its CTO and holds meetings with the Head of DG when required. It also attends all organized Contractors/Grantees meetings with the USAID Mission Director and the USCG.

There were several meetings organized by the USAID Mission in which the Contractors/Grantees were presented with new USG policy guidance and directives.

Nine memoranda were released by AID regarding new vetting procedures, safety procedures, conference costs, marking, and compliance.

On March 19, a meeting was held at the Ministry of Local Government between USAID Mission Director Mr. James Bever, the Head of the USAID DG Department, Mr. Peter Wiebler, USAID CTO, Ms. Samah Khoury, and the previous Minister of Local Government, who was still in position at the meeting date, Dr. Khaled Qawasmī, the Managing Director of the Municipal Development and Lending Fund ("the Municipal Fund"), Dr. Mohammed Sarsour, and the EPLA Team: Country Director, Ms. Lana Abu Hijleh, Chief of Party, Mr. Henri Disselkoen, and Senior Technical Adviser, Mr. Kenn Ellison. The Acting Minister expressed his strong support for EPLA as well as his hope that the EPLA Team would cooperate with the Municipal Fund. USAID explained the no contact policy, which was described as meaning EPLA could not work with a Hamas led government.

Pending issues with the USAID CTO and Contract Office are the following: the nationality waiver for CEP, the source and origin waiver for additional needed equipment, request for vehicles², and a list of potentially eligible LGUs³.

Coordination with MoLG:

Prior to the formation of the new Palestinian Government at the end of March 2006, several coordination meetings with previous MoLG staff were held. In early January EPLA held coordination and networking meetings with Samah Abu Oun Hamad, Senior Advisor to the Minister of LG, and EPLA's CTO. Further, the EPLA team produced local governance focused calendars that were designed in December and were distributed in January to Ministry District offices, non-FTO municipalities and local councils.

On January 18th, a meeting was held with Mr. Adel El-Jazzar, the local coordinator of the Federation of Canadian Municipalities. The Federation has been working since 1999 with the Municipality of Rafah and since last year with the Municipality of Khan Younis on long-term capacity building projects. It was agreed at the time to exchange information and coordinate activities whenever possible in the future.

Site Selection Activities:

In January 2006, EPLA identified a list of the 57 most likely to be eligible LGUs and 62 potentially eligible LGUs to be targeted by the program. In March the list was sent to USAID upon their request. The original plan in the EPLA proposal had been to select approximately 30 LGUs and 10 JCSPDs, each with an average of ten LGUs. So far EPLA has been able to identify only 4 JCSPD that are comprised of eligible LGUs. The site selection process has been on hold awaiting further USAID instruction.

Studies and Needs Assessments:

² The vehicle requests consist of one temporary request to buy 2 cars (of the 4 that are budgeted) and lease 2 cars (that are not budgeted), and a request to transfer to Liberty cars to EPLA. The latter was approved in April.

³ USAID uses the term 'to ensure that LGUs are safe LGUs'; the result is similar as the result of a 'vetting' process, but USAID does not use the term 'vetting' for LGUs.

In January 2006, needs assessments were carried out in several municipalities of the Gaza Strip. Desk reviews of LG laws, policies and administrative regulations were also carried out in January by EPLA staff. EPLA's senior technical advisor further developed a training module on key decentralization and democracy concepts which were used in the Staff Development workshop held on February 22-23, 2006.

2.2 Rapid Response Activities

EPLA continues to implement USAID approved rapid response activities. The following table presents the status of projects to date:

No.	Title of project	Location	Status
WB-1	Enhancing Communication between Jenin Municipality and Citizens. Rehabilitation of the City Center Main Road.	Jenin City	Canceled.
WB-2	Enhancing Communication between Nablus Municipality and Citizens. Construction of a Multi-purpose Youth Sports Hall.	Nablus	Canceled.
WB-3	Enhancing Communication between El Bireh Municipality and Citizens. Rehabilitation and Beautification of City Northern Entrance.	El Bireh	Canceled
WB-4	Bethlehem Governorate Preparedness for Season of Festivities in 5 areas.	Bethlehem Governorate	<u>Bethlehem</u> : Activities were completed. The traffic light project is has been completed. Insurances and guarantees are being prepared. <u>Beit Jala</u> : One project completed. <u>Beit Sahour</u> : One project completed, the lighting project is virtually completed. <u>Doha</u> : Project is virtually completed.
WB-5	Enhancing Communication between Hebron Municipality and Citizens. Rehabilitation and Beautification of Abu O'Baida Street.	Hebron	Postponed till further notice
WB-6	Rehabilitation and Upgrading of Municipal Social Services in Needy Communities of Nablus+Jenin Governorates.	Nablus/ Jenin Governorate	All materials were supplied and utilized by beneficiaries. The evaluation is being prepared
GS-1 (2 projects)	Enhancing Communication between Municipality and Citizens. Manufacturing and Supply of Communal Solid Waste Containers. Rehabilitating the Access Road	Um El Nasser	Supply of 25 communal Solid Waste Containers and building trust and cooperation within the community: Both have been completed. The project may be deferred.
GS-2	New Road Safety Project, and Rehabilitation of Ma'ari neighborhood.	Qarara	The new road safety project was completed and was handed over. In Ma'ari area, the base coarse layer was completed for all the roads. Because of the closure of Karni checkpoint the project is still ongoing. By mid-April, the CTO will be asked for guidance.

GS-3	Rehabilitation and Upgrading of Public Buildings and Works in Several Needy Communities of Khan Younis City	Khan Younis	The contractor has supplied about 80% of materials and tools; the completion of the supply is still problematic with Karni checkpoint remains closed. Construction material supply is still pending. Some workers of last week are still involved in the 15 areas. By mid-April, the CTO will be asked for guidance.
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Hebron Municipality was visited in early January to discuss alternatives to the proposed entrance road rehabilitation. The municipality showed readiness to cancel the initially proposed road project and exchange it with a number of smaller interventions. Improvement of roundabouts, a small park, and the provision of new communal solid waste containers were considered. The conclusion was that the northwestern entrance road may have the highest priority as well as the highest visibility. The former Minister, Dr. Qawsmi, twice expressed his strong support for the road.



Um el Nasser Solid Waste Management and Community Participation Workshop



Um el Nasser Solid Waste Collection

2.3 Development of Post Parliamentary Elections Concept Papers

Following the 25 January 2006 parliamentary elections, the EPLA team engaged in internal and external discussions to enhance EPLA's responsiveness to the evolving new political and socio-economic context. Numerous brainstorming and planning sessions have been held which have resulted in the development of conceptual approaches presented to USAID through a number of papers as follows:

1. EPLA Post Election Concept Paper, submitted on February 3, 2006 which sets forth key elements and recommendations supporting continued USAID assistance on governance and democracy themes via the EPLA program
2. EPLA Activity Template submitted on February 9, 2006 which responds to specific questions posted by USAID regarding the program objectives, approach and strategy.
3. EPLA Concept Paper #2: The New Humanitarian Agenda – A Community Centered Approach, submitted on the 29th of March 2006 which sets forth a strategy demonstrating how a framework for ongoing management of the likely humanitarian crisis can be accomplished utilizing EPLA's established structure and modified mechanisms. The paper further focuses on activating community, civil society and private sector structures to manage and coordinate humanitarian and emergency responses.

2.4 Staff Development and Program Preparations

February:

- A list with potential consultants, individuals and firms, and trainers is being developed as a database for future EPLA activities.
- In Gaza, EPLA staff concentrated efforts on the analysis of services provided by existing Joint Service Councils and assembled all collected information on municipalities to complete the needs assessments by locality. EPLA senior staff members developed and prepared the content of an all-staff workshop and training that took place February 22nd and 23rd. The purpose of the workshop was to ensure that all EPLA staff, including those in all satellite offices, are aware of the original goals, objectives and strategic approaches of the EPLA program, and to develop action plans outlining the processes of engagement to be carried out. The EPLA Staff Development and Action Planning Workshop was held on February 22 and 23 from 9am to 4pm at the Grand Park hotel in Ramallah. The workshop was largely successful in that it brought together for the first time the entire EPLA staff, including those from all three satellite offices as well as El Bireh based program staff, administration and finance staff, and key persons engaged in related CHF WBG programs. Dr. Hussein al A'raj was also in attendance and gave a presentation on the history of the local governance system in Palestine.
- Staff started to work on one of the outcomes of the workshop, which was a six point task order for the staff to be focused upon including: 1) the development of implementation mechanisms including an operational plan, working procedures, regulations and a detailed engagement process, 2) donor review and coordination activities in order to prevent overlap and enhance opportunities for collaboration 3) the launching of the 'eligible' LGU engagement process including meetings with key actors in government, academia, the private sector and civil society 4) the development of Monitoring and Evaluation systems including the development of impact indicators and a baseline survey 5) the finalization of office and administrative procedures and logistics, and 6) the implementation of our Human Resource Development program.
- Additional staff capacity building activities are planned, including the development and distribution of a reading list for all program staff designed to enhance their knowledge and understanding of key democracy and governance concepts, in addition to important documents, relating to local governance in the WBG. Three EPLA staff members participated in a training seminar carried out by PASSIA entitled, "Civics, Governance and Community Participation". The content of the seminar was regarded to be useful and pertinent to the work to be carried out by EPLA.
- A statistical database on all mid-sized municipalities in the West Bank & Gaza has been developed and profiles have been completed.
- Internal communication procedures have been developed, including the institutionalization of weekly management team meetings, and staff meetings.
- Three EPLA staff members were interviewed by PASSIA as part of the selection process for the seminar titled, "Civics, Governance and Community Development", that took place March 5th to March 9th in Ramallah. All three EPLA staff members were selected for participation and will be attending the seminar on the above mentioned dates. Additionally, the EPLA Senior Technical Advisor and EPLA Planning & Democratic Governance Team Leader participated in the PASSIA seminar as volunteer trainers.



EPLA Senior Technical Advisor, Dr. Kenn Ellison, presenting at the Staff Development Workshop.



EPLA COP and staff at the Staff Development Workshop (22-23 February)

March:

- EPLA staff, including consultant Dr. Hussein Al A'raj, worked with the CHF Ramallah and Nablus offices on implementation scenarios.
- Mr. Issam Akel, EPLA Team Leader of the Planning & Democratic Governance Department, worked with the Community Field Coordinators and Management Team on survey forms and the community data base.
- The RAPID Response activities were completed, except for 2 projects in Gaza that were on hold due to shortage of construction materials; this was caused by the continued closure of Gaza strip border crossings.

3.0 DIFFICULTIES ENCOUNTERED

- By Tuesday March 14, around noon, it became clear that a dangerous situation could occur for EPLA staff and offices. The activities were suspended till Thursday March 16; sensitive information was secured and moved to safe places. Expatriate staff were relocated to Jerusalem, and offices were closed and put under surveillance.
- Travel Restrictions have continued to slow down staff movement.
- The closures of Karni Crossing, "Goods Checkpoint in Gaza", have seriously hampered both food imports and construction materials, resulting in severe shortages and slowing project implementation. Rapid Response activities GS-2 (Ma'ari area) and GS-3 (Khan Younis) were slowed by the closing but were able to resume for a short period following a brief opening of the crossing in March.
- Numerous holidays in early January, including Orthodox Christmas and Eid Al-Adha, somewhat slowed project implementation in January and was setback further by the run up to the January 25 parliamentary elections.

4.0 FINANCIAL

The financial reports are sent separately to USAID. Here we present the tables that were sent to the CTO as an indication of the current field expenses as well as expected budgets for coming periods.

LINE ITEM	To date	Q3 FY'06	Q4 FY'06	Q1 FY'07	Q1 FY'07	TOTAL April'06 - March'07
	Oct 05 - March 06	Apr-Jun'06	Jul-Sep'06	Oct.- Dec.07	Jan.-Mar- 07	
Personnel	203,835	150,000	175,000	175,000	175,000	675,000
Fringe benefits	62,268	50,000	60,000	60,000	60,000	230,000
Travel	7,300	12,000	15,000	20,000	15,000	62,000
Equipment/Furniture	103,908	90,000	60,000	-	-	150,000
Contracts/Grants	295,253	1,250,000	1,500,000	1,750,000	1,850,000	6,350,000
Other Direct Costs	106,271	80,000	90,000	90,000	90,000	350,000
Indirect costs	135,877	200,000	240,000	250,000	250,000	940,000
TOTAL	\$914,712	\$1,832,000	\$2,140,000	\$2,345,000	\$2,440,000	\$8,757,000

There are no financial issues to be reported, except that the program is severely under-spending as a result of the USAID response to the change in Palestinian leadership.