



**USAID**  
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**WEST BANK/GAZA**

# USAID/COMPETE MONTHLY REPORT

April 1, 2015 – April 30, 2015

**May 6, 2015**

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government. It was prepared by DAI.

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DAI

Contract Number: AID-294-C-12-00001

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## ACRONYMS AND ABBREVIATIONS

<b>AHA</b>	Arab Hotels Association
<b>B2B</b>	Business to Business
<b>CEO</b>	Chief Executive Officer
<b>COP</b>	Chief of Party
<b>CHS</b>	Certified Hospitality Supervisor
<b>EU</b>	European Union
<b>FY2</b>	Fiscal Year 2 (USAID/Compete)
<b>Geo-MIS</b>	Geographical Management Information System
<b>GLOBALGAP</b>	Global Good Agricultural Practice
<b>HCCI</b>	Hebron Chamber of Commerce and Industry
<b>HLITOA</b>	Holy Land Incoming Tour Operators Association
<b>ICT</b>	Information and Communications Technology
<b>IOS</b>	Internet Operating System
<b>MBA</b>	Masters of Business Administration
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MEPS</b>	Middle East Payment Services
<b>MIT</b>	Massachusetts Institute of Technology
<b>MoA</b>	Ministry of Agriculture
<b>MoTA</b>	Ministry of Tourism and Antiquities
<b>MoU</b>	Memorandum of
<b>NSFT</b>	National Association for the Specialty Food Trade
<b>PCARD</b>	Palestinian Center for Agricultural Research & Development
<b>PITA</b>	Palestine Information Technology Association
<b>PMEP</b>	Performance Monitoring and Evaluation Plan
<b>PPIS</b>	Plant Protection Inspection Service
<b>PPSQ</b>	Plant Protection Safety and Quality
<b>PSI</b>	Palestine Standards Institute
<b>RFQ</b>	Request for Quotations
<b>SME's</b>	Small and Medium Enterprises
<b>SOW</b>	Scope of Work
<b>UNIDO</b>	United Nations Industrial Development Organization
<b>USAID</b>	United States Agency For International Development
<b>USDA</b>	U.S. Department for Agriculture
<b>USMAC</b>	US Market Access

## KEY ACCOMPLISHMENTS

**Agribusiness Trade Shows** – As a result of participation in Foodex last November, Naser Khalaf Company and Josour Company exported two trial shipments of dry herbs, Maftool, dates, and olive oil for distributors in Saudi Arabia. This marks expansion and penetration of the Saudi market by these companies, which indicates a possibility for additional future exports. Based on the results of these trial shipments, the companies will finalize contracts for next season.

**Developing a Tourist Information System** – Visit Palestine is expanding their resources for tourists by establishing a tourist information office (TIO) in the heart of the Bethlehem with staff speaking nine languages, redeveloping their website ([www.VisitPalestine.ps](http://www.VisitPalestine.ps) in English, Arabic, Spanish, and Italian), and developing a mobile application to help visitors with special features such as planning, booking, maps, and city guides. The company reported several improvements to the establishment this month, including hiring a part time accountant and adding an additional five suppliers to the gift shop, which mostly focus on educational children's toys. Looking forward to May, Visit Palestine is helping to promote three events: the Artas Lettuce Festival (April 25), the Palestine Photo Marathon (May 2), and the book re-launch for Walking Palestine (May 16.)

**Export Market Assessment** – USAID is supporting ICT companies to scale up their current exporting activities by assessing ten companies and providing them with export market development plans. At the beginning of April, a consultant completed interviews with several companies to gather data for the assessment. This was followed by a workshop to promote successful business development practices to the assessed companies and present the preliminary findings of the assessment to industry representatives.

**Sludge New Products and Facilities** – Abu Kamil Automatic Block Factory presented their New Sludge Products business plan findings to Compete staff, which revealed the feasibility of these new products and the need for additional support. USAID/Compete intends to continue providing technical assistance and supporting Abu Kamil in acquiring the necessary equipment through the firm level technical assistance program. This will enable Abu Kamil to produce prototypes for testing and pursue research and development in the field.

## SUMMARY OF PROGRESS BY SECTOR

### AGRIBUSINESS

#### Summary of Activities

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

As a result of participation in Foodex last November, Naser Khalaf Company and Josour Company exported two trial shipments of dry herbs, Maftool, dates, and olive oil for distributors in Saudi Arabia. This marks expansion and penetration of the Saudi market by these companies, which indicates a possibility for additional future exports. Based on the results of these trial shipments, the companies will finalize contracts for next season.

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

#### Scientific Lab Nablus

In 2012, USAID/Compete conducted a gap analysis for Scientific Lab Nablus regarding lab accreditations, microbiology analysis, and pesticide residue analysis according to ISO 17025 standards. Based on the results, USAID/Compete is assisting the lab on a cost-share basis in acquiring the necessary equipment, which will qualify it to achieve the ISO accreditations in the future. The procurement for the equipment is expected to conclude in the following quarter.

On April 15, USAID/Compete delivered, calibrated, and handed over three machines which can perform about 250 new tests for pesticide residues, heavy metals, and microbiology. This concludes the provision of equipment to Scientific Lab under this initiative. The lab technicians are preparing to conduct workshop to inform the targeted subsectors about these new services.

#### Canaan Fair Trade

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

On April 26<sup>th</sup>, USAID/Compete completed the installation and handover of machinery to assist with almond oil production. This initiative is expected to be concluded in the next few weeks.



**Machinery for producing almond oil at Canaan Fair Trade.**

**Tapping Unused Water Resources** – USAID/Compete is beginning to work sector-wide with stakeholders, local authorities, and key actors to help them access and maximize the use of current

water resources. This will increase irrigation to improve both the quality and quantity of agricultural products, transforming the Palestinian agribusiness sector into a globally competitive industry. The project will identify underutilized wells and transfer excess water to nearby areas including Area C.

A Compete agriculture sector staff member assisted in authoring a scientific article that was recently published. It is entitled “Effect of Using Magnetic Brackish Water on Irrigated Bell Pepper Crop (*Capsicum annum* L.) Characteristics in Lower Jordan Valley/West Bank”. It can be found at <http://goo.gl/5XEmVk>.

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

#### Greening Jalameh

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

On April 26<sup>th</sup>, USAID/Compete signed grants with seven farmers from Jenin and Marj Ebn Amer association. Compete will assist the farmers with establishing an irrigation system, procuring seedlings, installing fencing, and other technical assistance as necessary through PCARD and NEF, who are supervising the implementation and capacity building. Attendees included representatives from the Jenin MoA office, PCARD, NEF, the farmers, and the Compete Grants and Agribusiness teams.



Meeting with farmers for the Greening Jalameh initiative.

#### Milestones

- Compete concluded the provision of equipment to Scientific Lab Nablus.
- Compete completed the installation and handover of machinery to assist Canaan Fair Trade with almond oil production.
- Compete signed grants with seven farmers from Jenin and Marj Ebn Amer association as part of the Greening Jalameh initiative.

#### Lessons Learned

USAID/Compete often assists agribusiness beneficiaries with procurement of equipment and other material upgrades to improve their services, which requires land to hold these assets. Therefore, proof of land ownership from the Land Authority is necessary prior to providing assistance. If proof of ownership is not available, ample time must be allowed for the beneficiary to acquire the necessary documents from the Land Authority prior to implementation.

## TOURISM

### Summary of Activities

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

On April 1<sup>st</sup>, a meeting was held with the Minister of Tourism and Antiquities, USAID Mission Director Dave Harden, and USAID/Compete COR Conan Peisen to discuss future collaboration, provide an update on ongoing activities, and discuss the preparations for the UNWTO conference, set to take place June 15<sup>th</sup>-16<sup>th</sup>. Compete will hire Fadi Qattan, a tourism advisor, to manage organization of the conference and the MoTA's efforts to ensure that the Ministry's commitments to the UNWTO are met. A follow up meeting will be scheduled with Fadi to discuss the details of his Scope of Work and the conference preparations. Compete will also support the MoTA with technical assistance as necessary.

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

On April 20<sup>th</sup>, Compete met with the Arab Hotel Association (AHA) board members and MoTA officials to further discuss the new proposed management structure of the classification system to ensure sustainability without donor support in the future. It is anticipated that within few weeks the new structure will be approved and the implementation of the classification project will begin with the launch of the firm level assistance program.

### Component B: AHA

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

On April 1<sup>st</sup>, Compete conducted an internal assessment of the organization. The findings of the assessment revealed some internal staff and management weaknesses, leading to weak internal policies. Compete recommends signing an MOU to assist AHA in overcoming these issues and developing new policies.

**Developing a Tourist Information System** – USAID/Compete supports the growth of commercially viable, privately run, comprehensive visitor information systems in the West Bank. Palestinian information systems are a critical component to attracting adventure tourists and cultural travelers and were previously primarily dependent on public or donor funding to operate. As a result, service is frequently interrupted due to funding cuts and information is rapidly outdated given the meagre operational budgets.



## Visit Palestine

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

In April, Visit Palestine submitted several updates. The company hired a part time accountant, completed the English and Arabic audio guide content for several cities in the West Bank, and continued to see growth in the information center network. They also reported near completion of the back end of the website and 50% completion of the site itself, which is expected to launch by end of May. An additional 5 suppliers were added to the gift shop, which mostly focus on educational children's toys. Looking forward to May, Visit Palestine is helping to promote three events: the Artas Lettuce Festival (April 25), the Palestine Photo Marathon (May 2), and the book re-launch for Walking Palestine (May 16.)

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

On April 9<sup>th</sup>, a site visit was conducted at the CCHP center to discuss all activities, initially hand over the bus station stairway in Bethlehem, and assess the ongoing works at Qattan Square. A final hand over to Bethlehem Municipality will be set for the bus station stairway to close the activity when complete. CCHP was also finalizing preparations for the upcoming contracts for the Battir street and Beit Sahour Shepherd's Field renovations.

## Shepherd's Field, Beit Sahour

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

On April 23<sup>rd</sup>, CCHP signed a contract with Shrem Company for Contracting to implement the rehabilitation works at Shepherd's Field in Beit Sahour.

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

## Bethlehem Gallery

The renovation of Bethlehem Gallery aims to rehabilitate and furnish the Arab Women Union building to operate as a gift shop, gallery, and restaurant. The project aims to provide tourists with

attractions and services in Bethlehem in addition to visiting the Nativity Church, extending their length of stay and expenditures.

On April 9<sup>th</sup>, a site visit was held at Bethlehem Gallery to assess the remaining works and final delivery of the restaurant outdoor furniture. It was attended by MicroTech for Import & Marketing (contracted to deliver the furniture), National Group Company for General Contracting (contracted to complete the civil works), and The Holy Land Christian Ecumenical Foundation (contracted to provide site supervision.) All remaining civil works were completed and the restaurant outdoor furniture was delivered and approved. A final report is requested from HCEF to close all subcontracts and activities under the AWU grant. HCEF will also develop an updated operation plan for the whole building, including the restaurant, gift shop and gallery.

#### Bethany Museum

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

On April 15<sup>th</sup>, CCHP signed a contract with Palestine Carpentry to furnish the museum.

**PPP Frameworks via Urban Rehabilitation** – USAID/Compete is beginning to support the development of Public-Private Partnership (PPP) frameworks to create investment opportunities for private companies while supporting the development of services and products. This initiative specifically focuses on site renovation and rehabilitation interventions targeting the domestic and Arab Israeli markets.

#### Battir Park Restaurant

Battir Park restaurant is located in a public park and is in bad physical conditions. The aim is to renovate the site, which will be leased to the private sector upon completion, to provide local and international tourists with a public space for resting and enjoying traditional food.

On April 27<sup>th</sup>, USAID/Compete signed a contract with Azza Company for Contracting to implement the renovation works. The works are expected to be completed in July.

**Supporting a Hospitality School** – In conjunction with the curriculum developed for Bethlehem University in December, USAID/Compete is developing plans for a Hospitality School modeled after the Amon Hotel School in Amman, Jordan. Plans for the school incorporate key findings from previous assessments, including geographic demand. The school will increase industry standards and the attractiveness of careers in the hospitality sector to Palestinians.

In April, Compete received a draft business plan from Chris Faisandier, a consultant hired to develop the plan for the construction and operation of the hospitality training school and restaurant at Bethlehem University's Mount David site. Compete is revising the draft plan and will provide feedback.

#### Milestones

- CCHP signed a contract with Shrem Company for Contracting to implement the rehabilitation works at Shepherd's Field in Beit Sahour.
- CCHP signed a contract with Palestine Carpentry to furnish Bethany Museum.
- CCHP signed a contract with Azza Company for Contracting to implement the renovation works for Battir Park Restaurant.

- A consultant provided a draft business plan to develop the plan for the construction and operation of the hospitality training school.

## ICT

### Summary of Activities

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

On April 19<sup>th</sup>, Compete held a meeting with several startups to discuss a specific identified gap in the industry: whether lawyers in the market have the ability to handle startup requests. The meeting was attended by Compete staff, stakeholders from incubators/accelerators, and representatives from two major law offices from Ramallah. Startups shared their perception of the persistent gaps including registration issues, language issues, shareholder agreement issues, etc. The lawyers expressed that they have the capability to increase their skills to close these gaps either internally or through support from international partners. They also emphasized the need for an orientation for the entrepreneurs who are often lost on these topics; the entrepreneurs agreed this would be helpful.

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

At the beginning of April, David Ross, the consultant, interviewed companies to gather data for the assessment. On April 9<sup>th</sup>, Compete held a workshop for the assessed companies to promote successful business development practices, present the preliminary findings of the assessment to industry representatives, and open a discussion to further enhance their capabilities. In support of collaboration with other USAID projects, Compete also invited a representative from the International Youth Foundation to present the Ta3amal portal, which assists youth in finding jobs and training programs. The portal, developed with Microsoft and Silatech, was received with enthusiasm; several outsourcing companies asked about possibilities of connecting with resources outside Palestinian areas.



**Consultant David Ross conducts an interview with a USAID/Compete beneficiary.**

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

## Gaming and Animation

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

On April 15<sup>th</sup>, Compete held a follow-up meeting with the animation task force to discuss ways to increase the capacity of local talent in the market. The task force will provide a full proposal and draft budget for the Animation Lab program. Compete will also arrange meeting with PMDP-DFID to determine possible cooperation under this initiative.

## eGovernment to Improve Business Services

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

On April 8<sup>th</sup>, the Ministry of Telecommunications and IT held a workshop to give a brief on the eGov initiative and its status. It was attended by the Minister and Deputy Minister of Telecommunications and IT, IT department heads of other Ministries, the PITA chairman and executive, private sector companies, the World Bank, and a Quartet representative. The government expressed huge interest in advancing eGov services and a decision was made to find support to continue working on the initiative.

Assigned consultants began meetings with stakeholders from the private sector and the government. As of the end of April, the consultants had completed all meetings. Based on the information collected the meetings, the consultants are preparing the financial analysis and the first draft of the position paper.

## Component B – PITA

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

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

## Component B – Ibdaa

Ibdaa is a technical transfer company (TTC) which facilitates projects between the private sector and academia through joint teams made up of students, university professors, and private sector individuals. These teams work on market problems to develop solutions that can be commercialized.

The anticipated result is the creation of startups, as well as the far more intangible potential result that the quality of graduates will increase, solving a major impediment for ICT sector scale up.

On April 9<sup>th</sup>, an introductory meeting was held with Microsoft Jordan to introduce Compete activities, including IbdAA. IbdAA's ability to advance training new resources on different technologies and platforms was presented and attendees discussed possible synergies with the MIG initiative, which is still under planning with another department in Microsoft. Microsoft also agreed to the possible creation of new partnership with Palestinian private sector to advance the needed skills and asked Compete to be introduced to two Palestinian IT companies, Infinite Tiers and iConnect, as potential partners. Microsoft introduced its Dynamic Academic Alliance as a possible venue for cooperation and possible synergies with the project.

### **Milestones**

- The consultant completed all interviews and held a workshop for the export market assessment.
- The consultants completed all meetings for the eGov assessment and analysis.

### **Lessons Learned**

USAID/Compete is discussing ways to increase the pipeline of startups in the West Bank and Gaza with stakeholders and the entrepreneurial community. The USAID/Compete ICT team supports a themed boot-camp type of event, which would include involvement of large tech companies, such as Microsoft, SAP, and Cisco, to provide focus areas and mentorship. This proposed style is receiving positive feedback; therefore, USAID/Compete has begun talks with vendors to secure participation and sponsorship.

## **STONE AND MARBLE**

### **Summary of Activities**

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

On April 2<sup>nd</sup>, a meeting was held with three companies: Al Omraniyeh Group Company for Jerusalem Stone, Al Waleed for Cutting Stone & Marble CO, and Saba Company for Industrial Investment to conduct a pre-assessment. Al-Omraniyeh is seeking marketing support, inputs for their new machines, trade show support, and ISO 9001 certification. Saba is seeking to hire a marketing/sales/administrative manager to work on their marketing /promotional image and materials that will better position them in the Gulf region. Al-Waleed is seeking technical assistance to improve to their management, marketing departments, and structure. All three companies are good candidates for the firm level technical assistance program.

On April 8<sup>th</sup>, a meeting was held with Verona Marble and Industrial Investments Co. to follow-up on the company's progress, growth, current plans, and future interventions in the local and global market. Verona is growing rapidly and refocusing major efforts on the local and Israeli market. They have invested close to \$1,000,000 in equipment, electricity, and infrastructure. They are ideal



candidates for the new firm level assistance program and more meetings will be held to further discuss opportunities.

On April 15<sup>th</sup>, Compete held meetings with Al Anan Stone & Marble Company, Verona Marble and Industrial Investments Co, and Yousef Hasan Mahmoud Al Saheb Factory to follow up on progress from previous interventions and assess their needs. All three companies are eligible for the firm level technical assistance program.

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

#### Middle East Trade Show

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

On April 8<sup>th</sup>, a Middle East Trade Show workshop took place in Bethlehem. The exhibitors received their designs with detailed drawings, including sizes of all stone samples that will be used in their booth. This is in response to a previous lesson learned that during trade shows, samples are cut inconsistently and when shipped, the number of samples does not meet the requirements sent to the contractor. Two workshops were held to discuss exhibition-related issues, including presentation advice, colors, textures, and sample booth displays. Other planning topics included product shipment, deadlines, pre-trade show communication with potential buyers, marketing materials, promotional gifts, price positioning, competition, visas, flights, hotel reservations, and booth behavior.



**The Middle East Trade Show workshop.**

#### Component B – USM

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

#### Component B – Paltrade

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

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

Fonoun Company for Carved Stone and Marble

USAID/Compete is assisting the development of new value-added products by assimilating skilled women with an exceptional eye for design into the sector. Under this initiative, Compete supports Fonoun Company for Carved Stone and Marble, the first company in the Palestinian territories and the MENA region to break with tradition and create managerial positions for women, with a cost-share grant to hire female staff and develop new and creative stone products. The grant runs through August 2015.

Due to Compete's support for women in the industry, Mr. Hanna Rabah, the Compete Stone & marble Sector Lead, was chosen to participate in January on a panel to select local companies to attend the Bahrain Competition for Women Businesses and Producers. Compete received the official notification from the Ministry of Women's Affairs that a major award was granted to a Palestinian company from Gaza. 15 Palestinian companies applied for the award.

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

On April 8<sup>th</sup>, Compete met with Al-Aqsa Company for Marble, Al Waleed for Cutting Stone & Marble CO, and Saba Company for Industrial Investment to discuss the progress of the Sludge Business Plans. The draft business plans were submitted for final review and discussions; Compete provided feedback to enhance the content.

On April 14<sup>th</sup>, Compete held a meeting with Creative Business Solutions (CBS) to follow up on progress of the new business plan, development of new product prototypes, and discuss preparations for the associated presentation. CBS submitted the draft final report and financial model; Compete will respond with comments in May. CBS will conduct a presentation within two weeks of the final submission to showcase results and discuss potential engagements to support this investment. CBS has also further invested in prototypes, which will be showcased with the presentation.

On April 28<sup>th</sup>, Abu Kamil presented their New Sludge Products business plan findings to Compete staff, which was followed by a discussion of the type of intervention needed to move the project forward. Compete intends to continue providing technical assistance and supporting Abu Kamil in acquiring the necessary equipment through the firm level technical assistance program. This will enable Abu Kamil to produce prototypes for testing and pursue research and development in the field.

### **Milestones**

- Compete held the Middle East Trade Show workshop.
- Abu Kamil presented their New Sludge Products business plan findings.

## Lessons Learned

The results of Abu Kamil's New Sludge Products business plan revealed that new sludge products are feasible and that it is necessary to procure equipment to support research and development prior to developing an entire production line. This allows for the creation of prototypes for contractors to test in the field and provide feedback on for companies to develop improved products. USAID/Compete intends to support Abu Kamil in acquiring the necessary R&D equipment through the firm level technical assistance program and further develop this promising initiative.

## GENDER & YOUTH

USAID/Compete works across the Agribusiness, Tourism, ICT, and Stone & Marble sectors to find opportunities to encourage gender equality and support youth innovation<sup>1</sup>. The following section highlights project activities this month with a youth and gender impact.

In April, the Agribusiness sector held one training and one workshop:

- On April 15<sup>th</sup>, 2015, the Dubai Hub Business Plan workshop was attended by four people. One was female and none were youth.
- On April 26<sup>th</sup>, 2015, an almond mill production training was attended by four people. One was female and a youth.

In April, the ICT sector held one workshop:

- On April 9<sup>th</sup>, 2015, a business growth workshop was attended by 27 people. Five were female and seven were youth; two of the youth were female.

In April, the Stone & Marble sector held two workshops:

- On April 7<sup>th</sup>, 2015, an investor discussion workshop was attended by four people. None were female and none were youth.
- On April 7<sup>th</sup>, 2015, the Middle East Trade Show workshop was attended by six people. Two were female and one was a youth; the only youth was female.

## GENDER STRATEGY IMPLEMENTATION

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

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

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

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<sup>1</sup> Defined by USAID as aged 14 to 29



Upholding pillars 1 and 2, Mr. Hanna Rabah, Compete Stone & Marble Sector Lead, was chosen to participate in January on a panel to select local companies to attend the Bahrain Competition for Women Businesses and Producers. The information showcased at the event reaffirmed the need for Compete's support of women in the Stone & Marble sector. This month, Compete received the official notification from the Ministry of Women's Affairs that a major award was granted to a Palestinian company from Gaza. 15 Palestinian companies applied for the award.

## FINANCE AND OPERATIONS

### VETTING

The commitment to adhere to Mission Order 21 in a timely, business-like manner is essential to the success of USAID's partnerships with Palestinian companies. Since mid-2013, there has been steady decline in all vetting applications processed in more than 61 days. In April, vetting applications for individuals overall remained the same as the previous month. For companies, the number of applications vetted in less than 30 days decreased slightly, those between 31 and 45 days increased slightly, and all other applications taking longer times decreased.

**Figure 1. Length of vetting time for individuals.**

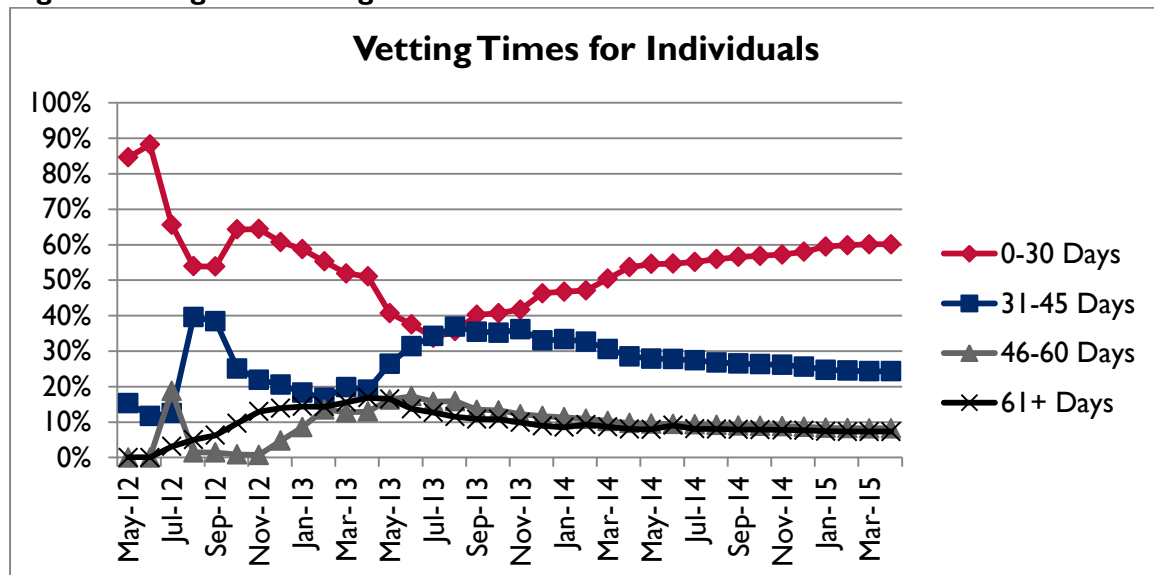
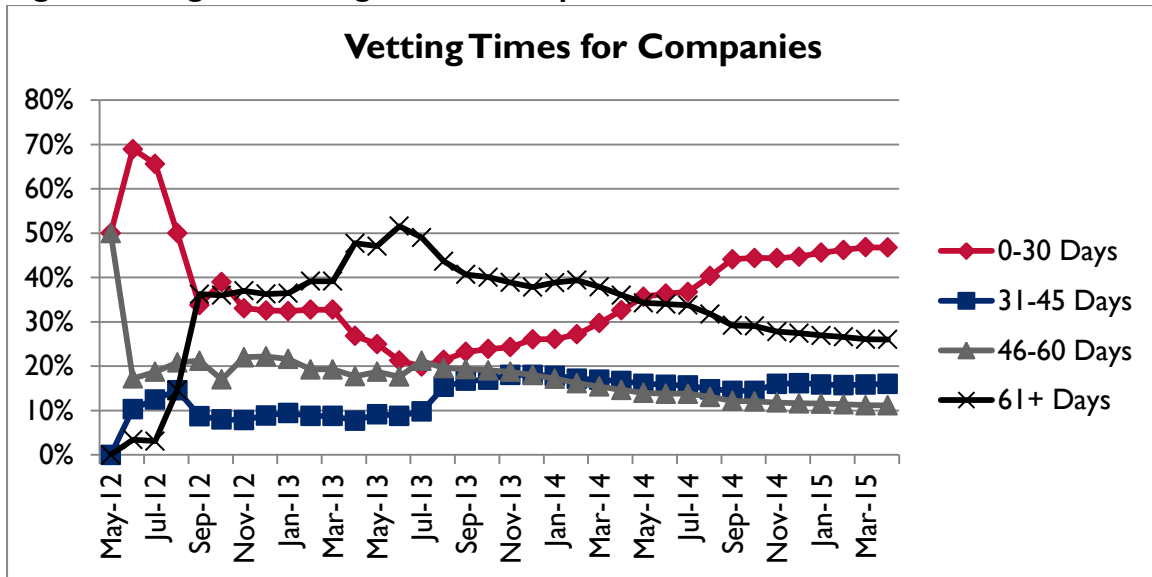


Figure 2. Length of vetting time for companies.



COMPETE PROJECT MONTHLY ACTIVITY/EVENT OUTLOOK

CALENDAR FOR APRIL 2015

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1	2	3	4
5	6	7 Middle East Trade Show Workshop	8	9 Business Growth and Expansion Workshop	10	11
12	13	14 USAID site visit to Jarrar Palace	15 Meeting with Dubai HUP partners to present the Dubai HUP business plan	16	17	18
19	20	21	22	23 New Sludge Investor meeting	24	25
26	27	28	29	30		

## Upcoming Events

Agribusiness Sector	Tourism Sector	ICT Sector	Stone & Marble Sector
<p>May 3: Meeting with Tubas Gov. for Tammoun Water Design</p> <p>May 3: Kickoff meeting with for Greening Jalameh TWW project</p> <p>May 5: Meeting with MoA for Ag actuarial assistance program</p> <p>May 11: Kickoff meeting for Tammoun Water Design</p> <p>May 17: Canaan Young Women Entrepreneurs Workshop I</p> <p>May 24: Canaan Young Women Entrepreneurs Workshop II</p>		<p>May 7: eGov survey results discussion with private sector</p>	