



Cooperative Agreement No. AID-294-A-15-00007

Business-to-Business (B2B)
An Israel/West Bank Program

FY16 Annual and Quarterly Q4 FY16 Performance
(Narrative) Report

Quarter #4, FY16 (July 1- September 30, 2016)

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Program Purpose & Approach

The **Business-to-Business (B2B)** program seeks to encourage cross-border business cooperation, increase the trade capacities of the Palestinian food industry, and promote a more trade-enabling environment based on mutual benefit, awareness, and trust. The program – a collaboration between the Peres Center for Peace, Palestine Trade Center (PalTrade), and a diverse network of key Israeli and Palestinian institutional and professional economic stakeholders – intends to increase the compliance of Palestinian food companies with Israeli and international food industry standards, while enhancing their business capacities in identified areas, thereby increasing their competitiveness in exporting to Israel and other markets. The project also seeks to foster and enable direct, cross-border, people-to-people interaction and produce concrete business exchange through a series of customized B2B (business-to-business) meetings. In doing so, the program aims to augment Israeli-Palestinian economic relations with an emphasis on increasing the level of Palestinian exports to/via Israel and therefore, generate socioeconomic development within and between the two societies.

CMM Goal: Bring people together to work on issues of common concern and promote peaceful coexistence and provide opportunities to address issues, reconcile differences, and promote greater understanding.

Project Goal: Promote a more trade-enabling environment between Palestinian and Israeli private sectors based on mutual benefit, awareness, and trust.

Intermediate Result 1: Increase the trade capacities of the Palestinian food industry.

Intermediate Result 2: Encourage cross-border business cooperation.

Program Progress FY16 Quarter 4

Summary of Completed Activities FY16 Quarter 4

The B2B program is expected to reach a total of approximately 211 Israeli and Palestinian participants through a series of events aimed to build support or reconciliation among key actors to the conflict, including capacity building workshops, meetings and activities designed to improve Palestinian business capacities, over 30 months. Among the participants will be approximately 32 females and 180 males.

Over the last quarter (Q4, FY16), the Needs Assessment Study (Component A) entered the final stages of editing and is expected to be finalized in early FY17. The recruitment of participant companies and consultants for Component B: Individualized Business Consultations, also reached its final stage during Q4, FY16 and it is expected that companies will begin consulting at the start of FY17. Vetting requests for 15 companies have been submitted and as of the close of FY16, 13 have been approved. A Palestinian consultant for the individualized consultation has been recruited by PalTrade and the process of recruitment of the Israeli consultant has begun. The Palestinian consultant will start by collecting profiles of each company, and once recruited, the Israeli consultant will join to work in parallel.

- **Component A: Needs Assessment Study (NAS).** At the end of Quarter 4, the Peres Center for Peace received the second draft of the NAS report, produced jointly by Palestinian and Israeli researchers – ABC Consulting & IEP Consulting. At the beginning of FY17, the report will undergo the final stages of editing. As the NAS is a lengthy and largely technical document, it was decided that rather than printing the NAS in its entirety, it would be best to develop and print infographic brochures that will convey the main points of the report. These brochures will be developed and printed in FY17. Additionally, at the close of the study, the findings were presented in a round table workshop to international stakeholders (September 2016) as part of the project's advocacy activities.
- **Component B: Individualized Business Consultations.** In June 2016 (Q3) PalTrade began recruitment of the Core Group companies, explaining the B2B Program to potential companies and gauging their interest. Throughout the last quarter (Q4) PalTrade finalized recruitment of 15 companies and is poised to continue recruiting companies (if possible), while starting the consulting process for the companies that have already been recruited.

During Q4 PalTrade identified a potential Palestinian consultant, who is a certified trade advisor with international certification, who they plan to contract in early FY17. The Peres Center published the Terms of Reference for the Israeli Business Consultants in the previous quarter (Q3). At the close of Q4 FY16, the Peres Center was accepting and reviewing quotations and plans to finalize recruitment in early FY17.

- **Component C: Capacity Building Courses.** This activity is set to commence in FY17.
- **Component D: Multilayered B2B Process:** This activity is set to commence in FY17.
- **Component E: Advocacy.** A round table workshop was held on September 7th 2016 in order to present the findings of the Needs Assessment Study. The Peres Center had invited local and international stakeholders to the event in order to present the NAS findings to an audience of experienced business and policy professionals. Additional advocacy meetings are planned for FY17, mainly targeted to the Israeli market, in order to find and recruit potential business partners for our Core Group companies.



- **General:**

- (1) External Evaluation – Following the meeting held in the previous quarter (Q3) which provided the evaluators with an overview of the B2B program, project indicators and how best to evaluate each one, the evaluators have developed a baseline assessment questionnaire to be administered at the beginning of the business consultations.
- (2) Vetting – At the close of FY16, vetting of the Core Group companies was in its final stages. Vetting requests for 15 companies have been submitted and as of the close of FY16, 13 had been approved.

M&E Matrix

Indicator Description		Baseline Value	FY16 Target	FY16 Actual	FY17 Target	FY17 Actual	FY18 Target	FY18 Actual	Project Target
1.6.2-C096	1.6.2-C096: Percentage of targeted participants who agree that they have better understanding of the others that helped in changing their attitude positively.	N/A	5%	N/A	15%		55%		55%
1	Number of companies undergoing business consulting, reporting an increase in exports.	TBD	N/A	N/A	12		18		18
2	Number of Palestinian companies participating in business consulting and capacity building activities.	0	20	0	35		30		45
3	Percentage of Palestinian businesspeople participating in business consultation and capacity building activities who demonstrate increased professional capacities.	TBD	N/A	N/A	33%		70%		70%
4	Number of incidents of compliance among Palestinian companies with Israeli and/or international standards within the project period.	TBD	N/A	N/A	0		14		14
5	Number of Palestinian and Israeli companies participating in B2B meetings (disaggregation: Israeli, Palestinian).	0	N/A	N/A	40		60		100
	Number of Palestinian companies.	0	N/A	N/A	16		24		40
	Number of Israeli companies.	0	N/A	N/A	24		36		60
6	Percentage of Palestinian and Israeli businesspeople and stakeholders who gain increased knowledge and tools that enable them to engage in cross-border business exchange (disaggregation: Male, Female).	TBD	0%	0%	33%		70%		70%
	Percentage of Male	TBD	0%	0%	20%		70%		70%
	Percentage of Female	TBD	0%	0%	20%		70%		70%
1.6.2-12	1.6.2-12 Number of USG-funded events, trainings, or activities designed to build support for peace or reconciliation on a mass scale.	0	84	3	247		108		359
1.6.2-14	1.6.2-14 Number of people participating in USG-supported events, trainings, or activities designed to build mass support for peace and reconciliation (disaggregation: 1.6.2-14-1 Male; 1.6.2-14-2 Female; 1.6.2-14-3 Israeli; 1.6.2-14-5 Palestinian)	0	26	30	108		136		211
	1.6.2-14-1 Number of Male	0	22	15	92		116		180
	1.6.2-14-2 Number of Female	0	4	15	16		20		31
	1.6.2-14-3 Number of Israeli	0	4	12	54		77		130
	1.6.2-14-5 Number of Palestinian	0	22	8	54		59		81

Explanation of Quantifiable Outputs

1. A comprehensive Needs Assessment Study: a NAS that establishes the Palestinian food industry's baseline regarding compliance with standards and export level, and identifies 4 sub-sectors that have high potential to export to Israel.
2. Food Industry Checklist: a checklist for each food industry sub-sector, mapping the various standards required in order to export to Israel.

Explanation of Unreached Targets

Project implementation suffered a late start attributable to the length of time required to complete the vetting of our partner, PalTrade, resulting in some unreached targets for FY16. In order to overcome this, the partners have redistributed the project activities in FY17 and FY18 in order to complete all planned activities, and have readjusted the targets for FY17 and FY18 accordingly.

Challenges in FY16 Quarter 4

The primary challenge this quarter (Q4) was the recruitment of the Palestinian companies from the sub sectors identified by the NAS. In order to enhance potential success for Palestinian companies' penetration into the Israeli market, the NAS identified sub sectors that are less prevalent in the Israeli market. In addition, the recruitment process also eliminated companies which are within the selected sub-sectors, yet are already able to comply with Israeli and international standards and do not require the assistance of this project, as well as medium sized companies who have already benefited from international assistance in order to give an opportunity to smaller companies who wish to participate. As a result, the companies were chosen from a more narrow, yet more focused group of companies. The Peres Center and PalTrade worked together to recruit as many companies as possible in these categories and ensured that these companies were at the minimum stage of export readiness to be successful in a larger market.

As of the close of FY16, the partners had recruited 15 companies and had agreed to begin consulting these companies, rather than waiting to recruit another five companies. If other companies will be recruited, they may begin the consulting at a later stage.

Additionally, the Peres Center faced some challenges in the process of recruiting Israeli consultants due to the budget restrictions, language qualifications and the perception of danger in entering the West Bank. While this process took longer than expected, the Peres Center has received several quotations from professional and experienced Israeli consultants, with the recruitment being finalized in early FY17. This challenge was alleviated by the decision to allow participating companies to begin consulting with the Palestinian consultant, to be joined at a later stage by the Israeli consultant.

Lastly, the advocacy event which was held on September 7th, 2016 was overall very successful but did encounter some slight challenges. The partners were planning for the core group companies' key personnel to participate at the round table workshop. Due to scheduling complications and difficulties with permits, only one representative of the core

group companies was able to participate. Nonetheless, the event was overall a success and beneficial for those who participated.

Anticipated Requests

At this point there are no requests for USAID approvals, waivers or deviations during the next quarter.

Reports Completed in FY16 Quarter 4

The following reports were submitted to USAID and relate to the Q4 reporting period:

1. FY 17 Implementation Plan: August 16, 2016.
2. Monitoring and evaluation plan update: August 16, 2016.
3. Quarterly Performance Narrative Report Q3 FY16: July 28, 2016.
4. Financial Report (Voucher No. 8) June 1st-30th: July 19, 2016.
5. Financial Report (Voucher No. 9) July 1st-31st : August 19, 2016.
6. Financial Report (Voucher No. 10) August 1st-31st: September 20, 2016.
7. FY16 Quarter 4 Accruals and FY17 Quarter 1 –Quarter 2 Projections Report: September 15, 2016.
8. VAT Sheet No. 3 May 2016 – August 2016: August 15, 2016.
9. VAT Sheey No. 4 September 2016: September 15, 2016.
10. Sub-Award Report No. 3: July 5th, 2016.

Geo-Mis and TraiNet Reporting FY16 Quarter 4

I certify that we have appropriate tools in place for data collection, verification, analysis, and storage and we have updated the Geo-MIS system and the participant training system TraiNet with the most updated information that reflects the current project implementation deliverables and achievements.

In addition, the attached list of PMP indicators are still appropriate, valid, and up to date for program performance tracking up to this quarter and those indicators are in compliance with DQA measures (Validity, Integrity, Precision, Reliability, and Timeliness) as per ADS 203.3.5.1.

1) Number of Activities Added/Updated this reporting period:

Location	Activity Status		Total
	Closed	On Going	
Israel	1	1	2
West Bank	1	15	16
Total:	2	16	18

2) Quarterly Program Updates during this reporting period:

Category	Added/Updated this Reporting Period	Date of Last Update	Comments
Overall Goals	No	N/A – Not listed	
Overall Achievements	Yes	12/13/2016	
FY2016 Goals	No	N/A	
FY2016 Achievements	Yes	12/13/2016	
Success Stories	No	N/A	None to date
Pictures	Yes	9/22/2016	Round Table
Documents	Yes	12/13/16	
Sub Partners	No	N/A	No new subpartners
PMP Indicators FY 2016 Results	Yes	11/17/2016	
PPR Indicators FY 2016 Results	Yes	9/29/2016	

PMP Indicators: Geo-MIS PMP Matrix

Program Component / IR	Program Element	Indicator Code and Name	Ind. Type / Ind. Result Type	Ind. Format	Baseline/ Partner's PMP Code		LOP to Date	FY16	FY17	FY18	Comment
Goal	1.6.2 Peace and Reconciliation Processes	1.6.2 B2B 1 - Number of companies undergoing business consulting, reporting an increase in their exports	Mgmt Outcome	Integer		Planned:	18	NA	12	18	
						Actual:	NA	NA			
Goal	1.6.2 Peace and Reconciliation Processes	1.6.2-C096 - Percentage of targeted participants who agree that they have better understanding of the others that helped in changing their attitude positively	OP_cust Outcome	Percentage		Planned:	55%	5%	15%	55%	Due to the delay in the project no business consulting was held in FY16, therefore it was not possible to measure this indicator.
						Actual:	NA	NA			
Goal	1.6.2 Peace and Reconciliation Processes	1.6.2-C096a - Percentage of Male	OP_cust Outcome	Percentage		Planned:	55%	5%	15%	55%	Due to the delay in the project no business consulting was held in FY16, therefore it was not possible to measure this indicator.
						Actual:	NA	NA			
Goal	1.6.2 Peace and Reconciliation Processes	1.6.2-C096b - Percentage of Female	OP_cust Outcome	Percentage		Planned:	55%	5%	15%	55%	Due to the delay in the project no business consulting was held in FY16, therefore it was not possible to measure this indicator.
						Actual:	NA	NA			
IR 1	1.6.2 Peace and Reconciliation Processes	1.6.2 B2B 2 - Number of Palestinian companies participating in business consulting and capacity building activities	Mgmt Output	Integer		Planned:	45	20	35	30	Due to the delay in project start, no consulting was held in FY16. Targets for FY17 and FY18 were changed to reflect an update in the implementation plan as a result of the delay.
						Actual:	0	0			

IR 1	1.6.2 Peace and Reconciliation Processes	1.6.2 B2B 3 - Percentage of Palestinian business people participating in business consultation and capacity building activities who demonstrate increased professional capacities.	Mgmt Outcome	Percentage		Planned: 70%	NA	33%	70%	
						Actual: NA	NA			
IR 1	1.6.2 Peace and Reconciliation Processes	1.6.2 B2B 4 - Number of incidents of compliance among Palestinian companies with Israeli and /or international standards as a result of USG assistance.	Mgmt Outcome	Integer		Planned: 14	NA	NA	14	
						Actual: NA	NA			
IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2 B2B 5 - Number of Palestinian and Israeli companies participating in B2B meetings (disaggregated by Israeli and Palestinian companies)	Mgmt Output	Integer		Planned: 100 (60/40)	NA	40 (24/16)	60 (36/24)	Targets for FY17 and FY18 were changed to reflect an update in the implementation plan as a result of the delay in the project start. The total life of project target remains unchanged.
						Actual: NA	NA			
IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2 B2B 6 - Percentage of Palestinian and Israeli business people and other stakeholders who gain increased knowledge and tools that enable them to engage in cross border business exchange (disaggregated by men and women)	Mgmt Outcome	Percentage		Planned: 70%	NA	33%	70%	
						Actual: NA	NA			
IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2-12 - 1.6.2-12 Number of USG supported events, trainings, or activities designed to build support for peace or reconciliation on a mass scale	OP_std Output	Integer		Planned: 359	84	247	108	Number of actual events reflects the delay which was caused by the vetting complications.
						Actual: 3	3			

IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2-14 - 1.6.2-14 Number of people participating in USG-supported events, trainings, or activities designed to build mass support for peace and reconciliation.	OP_std Output	Integer		Planned: 211 Actual: 30	26 30	108	136	An advocacy event was added and these participants participated in the event.
IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2-14a - 1.6.2.14a Number of men participating in USG-supported events, trainings, or activities designed to build mass support for peace and reconciliation.	OP_std Output	Integer		Planned: 180 Actual: 15	22 15	92	116	An advocacy event was added and these participants participated in the event. Overall we had expected 15% participation from women but in this event it was 50/50.
IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2-14b - 1.6.2-14b Number of women participating in USG-supported events, trainings, or activities designed to build mass support for peace and reconciliation.	OP_std Output	Integer		Planned: 32 Actual: 15	4 15	16	20	An advocacy event was added and these participants participated in the event. Overall we had expected 15% participation from women but in this event it was 50/50.

IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2-14e - Number of Israelis participating in USG- supported events, training and activities designed to build mass support for peace and reconciliation	Mgmt Output	Integer		Planned:	130	4	54	77	Due to delays the partners decided to hold 2 B2Bs in FY17 and 3 B2Bs in FY18- target s reflect this change. An advocacy event was added in FY16, therefore there were more Israelis than targeted.
IR 2	1.6.2 Peace and Reconciliation Processes	1.6.2-14f - Number of Palestinians participating in USG-supported events, training designed to build mass support for peace and reconciliation	Mgmt Output	Integer		Planned:	81	22	54	59	Due to the delay in the project no business consulting was held in FY16, therefore target was not reached. The targets for the following years were changed to make up for the delay.
						Actual:	12	12			
						Actual:	8	8			

3) Participant Training (for past quarter):

- a. All Participant Training programs have been updated in the TraiNet system: N/A – no training programs have transpired.
- b. Number of courses reported in TraiNet: 0
- c. Number of participants reported in TraiNet: 0

Status of Budget Expenditures

During Quarter 4 of FY16, Financial Report Voucher nos. 8, 9 &10 were submitted requesting a total of \$ 57,672.91.

There have not been any cost overruns during the last quarter and none are expected in the coming quarter.

Small & Disadvantaged Businesses

The use of small and disadvantaged businesses is always a consideration when choosing a supplier. In fulfilling this commitment, Yahalom Hesaim Ltd. and Jaffa Taxi Ltd. continued being utilized as transportation service providers and the Jerusalem Hotel as catering for our advocacy event.

Audit Status

No audits were completed in the previous quarter.

Program Achievements in FY16

The year (FY16) began with preparations for project development together with our Palestinian partner PalTrade, a Palestinian nonprofit with a mission to promote Palestinian exports as a sustainable force for economic growth. The Peres Center and PalTrade have a longstanding relationship and have worked together on various projects over the past 8 years, creating the foundations for the organizations' joint effort here.

During this initiation phase, the partners set out to recruit researchers specializing in food industry standards in order to complete the Needs Assessment Study (NAS). The Peres Center also began the process of recruiting the external evaluators for the project in order to insure the accuracy and integrity of the evaluation of the project in accordance with the Monitoring and Evaluation Plan. An RFQ for qualified evaluators was published accordingly.

During Q2, the partners experienced tremendous scheduling challenges due to significant delays in receiving vetting approval for PalTrade. Contracting the NAS writers and the recruitment of external evaluators were put on hold, as were other scheduled activities such as the advancement of the NAS, drafting of a work plan for the external evaluation, and the design and printing of visibility props. On March 11th, 2016, upon receiving vetting approval of PalTrade, the partners immediately reinitiated work on activities which had been delayed. In order to overcome the delays caused by this process, the partners worked to reconfigure the timeframe of the project's activities.

In Q3, the recruitment of an external evaluator was successfully finalized. The Needs Assessment study, which experienced delays as a result of delay in vetting, began with the Palestinian researchers, Associates in Building Capacity (ABC) and the Israeli researchers, Industrial and Economical Progress (IEP), jointly selecting criteria and strategies for choosing the subsectors for the B2B project. An early draft of the NAS identified the following 4

subsectors which were ultimately chosen for the project: 1) Vegetable and Animal Oils and Fats; 2) Sweets and Chocolate; 3) Coffee, and 4) Pasta. As requested by USAID, a Palestinian dairy company was also selected as a case study. The consultants identified 37 potential companies, from which the Core Group was to be chosen.

A meeting between the partners to define the parameters of the business consulting process was also held during Q3, on June 14, 2016. In late June 2016, the Peres Center published the terms of reference for the Israeli consultants and began reviewing quotations. In parallel, PalTrade began recruitment of the Core Group companies during the month of June, notifying business owners of the B2B program and gauging their interest. 13 companies which were identified by the partners and wished to participate signed a memorandum of understanding and were submitted for vetting. Their vetting was approved in Q3.

Informed by the NAS recommendations, an advocacy action plan was created to reach out to Israeli food industry professionals and other relevant stakeholders. The first advocacy event, a round table workshop on the NAS, was scheduled for Q4. The design of visibility props had begun as part of preparation for this event, as well as for future general project activities.

At the beginning of Q4 of FY16 the NAS entered the final stages of editing. Two additional Core Group companies were identified and submitted for vetting and were approved. Recruitment of the Palestinian consultant was finalized, while the partners continued to negotiate with suitable candidates for the position of Israeli Business Consultant. Additionally, a Round Table advocacy event was held on Sept 7th, 2016 in which the NAS findings were presented to various international stakeholders. Further, a baseline assessment questionnaire was developed by the external evaluator in accordance with the project indicators, to be administered at the beginning of the business consultation. A revised Implementation Plan and Monitoring Evaluation Plan for FY17 was also submitted to USAID which was intended to help the partners overcome the project delay which occurred as a result of the vetting process.

- **Component A: Needs Assessment Study.** The partners worked together to recruit qualified Palestinian and Israeli researchers to complete the Needs Assessment Study (NAS). Several companies and individuals submitted quotations, and following an assessment of these quotations, two companies (one Palestinian and one Israeli) were selected. PalTrade contracted with Associates in Building Capacity (ABC) Consulting to carry out the Palestinian side of the NAS, while the Peres Center contracted Industrial and Economical Progress (IEP) to conduct the Israeli side of the study. In parallel, the partners worked to collect various reports, regulations, literature, market intelligence data, and other documents which served the consultants upon initiation of the Study. The two firms began their partnership on the NAS in early April 2016 (later than originally planned due to the delay in PalTrade's vetting process). Working together, they selected criteria and strategies for choosing the subsectors for the project, such as amount of exports to the Israeli market, length of time that the sector has been exporting, and potential for expanding exports to the Israeli market. They also discussed criteria for determining the companies, such as company size, revenues, and

length of time exporting to Israel. Of 10 food industry subsectors initially identified the following 4 were chosen for the project: 1) Vegetable and Animal Oils and Fats; 2) Sweets and Chocolate; 3) Coffee, and 4) Pasta. As requested by USAID, a Palestinian dairy company was also selected as a case study. Additionally, the consultants identified 37 potential companies, of which the Core Group companies were to be chosen.

The NAS was completed by the researchers at the close of FY16 and submitted to the Peres Center for final editing. As the NAS is a lengthy and largely technical document, it was decided that rather than printing the NAS in its entirety, it would be best to develop and print infographic brochures that will convey the main points of the report. These brochures will be developed and printed in FY17. Additionally, at the close of the study, the findings were presented in a round table workshop to international stakeholders as part of the project's advocacy activities.

- **Component B: Individualized Business Consultations.** On June 14, 2016, the Peres Center met with PalTrade to determine the parameters of the business consultations. Consultants will be expected to develop an action plan for each company, and meet with the companies accordingly. The Peres Center will recruit the Israeli consultant, specializing in Israeli and international standards as well as marketing and packaging for the Israeli market, while PalTrade will recruit the Palestinian consultant who is to assist in formulating the companies' business plans. Upon launch of consultations, project staff will monitor the consultations, take meeting notes, and record participant attendance as well as provide technical support including market studies and aid in developing each business plan.

In June, PalTrade began recruitment of the Core Group companies, presenting the B2B Program to potential companies and gauging their interest. By the end of FY16, 15 companies had signed a memorandum of understanding and been submitted for vetting by USAID, and 15 companies have since been approved. A Palestinian consultant has been recruited by PalTrade and will be contracted to begin working in early FY17, starting the one-on-one consultation sessions with the Core Group in November. As of the close of FY16, the Peres Center was reviewing offers and negotiating with Israeli consultants so that the Israeli consultant would be able to join the team as soon as possible.

- **Component C: Capacity Building Courses.** This activity is set to commence in FY17.
- **Component D: Multilayered B2B Process:** This activity is set to commence in FY17.
- **Component E: Advocacy.** A preliminary Advocacy Action Plan was created in June 2016. This plan outlines advocacy goals and a timeline, and identifies Israeli food industry market stakeholders for targeted meetings. The first advocacy event, a round table workshop to share the findings of the NAS with international stakeholders, was held on September 7th 2016. The Peres Center invited local and international stakeholders to the event in order to present the NAS to an audience of experienced business and policy professionals. Additional advocacy meetings are

planned for FY17, targeted at the Israeli market in order to find and recruit potential business partners for our Core Group companies.



Program Challenges in FY16

The most serious challenge during FY16 was the delay in receiving vetting approval for our primary partner, PalTrade. Due to this delay, the partners had to cease all work on the project, which resulted in severe delays. The partners were able to overcome this challenge by reorganizing the timeline for the remainder of the project. Nonetheless, many targets for FY16 were not achieved as a result.

Another challenge that the partners faced during FY16 was recruiting Palestinian companies from the four subsectors chosen for the project which met the specific qualifications of export readiness and company size (see above for more details). By the close of FY16, 15 companies were recruited and we are still looking to recruit more companies as the consultancy stage begins.

Lastly, due to budget restrictions, language qualifications and the perception of danger in entering the West Bank, it took longer than expected to recruit a qualified Israeli consultant who will work with the Core Group companies. Nonetheless, the Peres Center has received several quotations from professional and experienced Israeli consultants, with the recruitment being finalized in early FY17. This challenge was alleviated by the decision to allow participating companies to begin consulting with the Palestinian consultant, to be joined at a later stage by the Israeli consultant.

Planned Activities Quarter 1 FY17

The activities that are planned for the next quarter- Q1 of FY17- are as follows:

Component A: Needs Assessment Study. The Needs Assessment Study will undergo final editing at the start of FY17. As the NAS is a quite long and technical document, it has been decided that rather than printing the NAS in its entirety, it would be more effective to develop and print infographic brochures that will convey the main points of the report.

Component B: Individualized Business Consultations. A Palestinian consultant has already been recruited by PalTrade and will be contracted to begin work in Q1 FY17, starting the one-on-one consultation sessions with the Core Group in November. The Peres Center will hire the Israeli consultants, who will specialize in Israeli and International standards as well as marketing and packaging for the Israeli market, and who will join the individualized business consultations during Q2.

Component C: Capacity Building Courses. This activity is set to commence in Q2 FY17. Nonetheless, it is anticipated that initial planning meetings will be held during Q1 to develop the first capacity building course.

Component D: Multilayered B2B Process: This activity is set to commence in Q3 FY17.

Component E: Advocacy. Additional advocacy meetings are planned for Q1 with business associations and other business organizations in order to promote cooperation with the

sub-sectors of our Core Group as well as to recruit Israeli businesses to participate in the B2B project.

General:

- (1) External Evaluation – The external evaluators will meet with the Core Group companies in order to produce an initial baseline evaluation of each company based on a survey to be administered at the beginning of the business consultation period.
- (2) Vetting – The vetting of remaining companies will be completed as will the vetting of the Israeli consultant.

Reports Completed in FY16

The following reports were submitted to USAID and relate to the Q4 reporting period:

1. FY 17 Implementation Plan: August 16, 2016.
2. Monitoring and evaluation plan update: August 16, 2016.
3. Quarterly Performance Narrative Report Q3 FY16: July 28, 2016.
4. Financial Report (Voucher No. 8) June 1st-30th: July 19, 2016.
5. Financial Report (Voucher No. 9) July 1st-31st: August 19, 2016.
6. Financial Report (Voucher No. 10) August 1st-31st: September 20, 2016.
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8. VAT Sheet No. 3 May 2016 – August 2016: August 15, 2016.
9. VAT Sheet No. 4 September 2016: September 15, 2016.
10. Sub-Award Report No. 3: July 5th, 2016.

The following reports were submitted to USAID and relate to the Q3 reporting period:

1. Quarterly Performance Narrative Report Q2 FY16: April 28, 2016.
2. Financial Report (Voucher No. 5) March 1st-31st: April 19, 2016.
3. Financial Report (Voucher No. 6) April 1st-30th: May 17, 2016.
4. Financial Report (Voucher No. 7) May 1st-31st: June 20, 2016.
5. FY16 Quarter 3 Accruals and FY16 Quarter 4 – FY17 Quarter 1 Projections Report: June 16, 2016.
6. VAT Sheet No. 2 February 2016 – April 2016: May 15, 2016.
7. Sub-Award Report No. 1: April 4, 2016.
8. Sub-Award Report No. 2: May 3, 2016.

The following reports were submitted to USAID and relate to the Q2 reporting period:

1. Quarterly Performance Narrative Report Q1 FY16: January 31, 2016.
2. Financial Report (Voucher No. 2) December 1st-31st: January 19, 2016.
3. Financial Report (Voucher No. 3) January 1st-31st: February 18, 2016.
4. Financial Report (Voucher No. 4) February 1st-29th: March 20, 2016.
5. FY16 Quarter 2 Accruals and FY16 Quarter 3-4 Projections Report: March 15, 2016.
6. VAT Sheet No. 1 September 2015 – January 2016: February 18, 2016.
7. Sub-Award Report: none submitted in Q2 as no relevant expenditures were incurred and no contracts were signed at the time of submission.

The following reports were submitted to USAID and relate to the Q1 reporting period:

1. FY16 Implementation Plan: final version submitted December 10, 2015, approved December 11, 2015.
2. FY16 Monitoring and Evaluation Plan: final version submitted December 21, 2015, approved January 5, 2016.
3. Financial Report (Voucher No. 1) November 1st-30th: December 16, 2015.
4. FY16 Quarter 1 Accruals and FY16 Quarter 2-3 Projections Report: December 16, 2015.
5. Sub-Award Report: none submitted in Q1 as no relevant expenditures were incurred and no contracts were signed at the time of submission.