

## Programme Document

### United Nations Development Programme

**Country: Occupied Palestinian Territory**

|   |  |
|---|--|
| Project Title   | Phase I: Construction of the Jericho Agro-Industrial Park - Excavation & Levelling Works   |
| UNDAF Outcome(s):   | Improving Essential Infrastructure for Economic & Social Development.  |
| Expected CP Outcome(s):<br><i>(Those linked to the project and extracted from the CP)</i> | <ol style="list-style-type: none"> <li>1. Promoting Sustainable Livelihoods, Economic Recovery, &amp; Self Reliance.</li> <li>1. Advancing Peace through Regional Cooperation.</li> <li>2. Enhancing Palestinian Economic Development opportunities.</li> <li>3. Improving access and service delivery.</li> </ol> |
| Expected Output(s):<br><i>(Those that will result from the project)</i>                   |  |
| Executing Entity:   | United Nations Development Programme/Programme of Assistance to the Palestinian People. (UNDP/PAPP)  |
| Implementing Agencies:  | United Nations Development Programme/Programme of Assistance to the Palestinian People. (UNDP/PAPP) and Palestinian Industrial Estates & Free Zone Authority (PIEFZA)  |

#### Brief Description

As part of the Government of Japan, "Corridor for Peace and Prosperity" initiative, a feasibility study was undertaken by the Japanese International Cooperation Agency (JICA) for the Development of a Agro-Industrial Park in the Jordan River Rift Valley. The study developed a three stage concept for the future works. This project document will encompass the works prior to Stage I, and will only include excavation, land clearing, and leveling of the 115,000 square meter future project site. Approximately 18,000 workdays will be generated by the project.

|                                  |                  |
|----------------------------------|------------------|
| Programme Period:                | 2010             |
| Key Result Area (Strategic Plan) | Infrastructure   |
| Atlas Award ID:                  | 00052877         |
| Start date:                      | January 2010     |
| End Date                         | July 2010        |
| Project ID:                      | 00072341         |
| Management Arrangements          | Direct Execution |

|                            |                |
|----------------------------|----------------|
| Total resources required   | \$1,532,015    |
| Total allocated resources: | \$             |
| • Regular                  | _____          |
| • Other:                   | _____          |
| o Japan                    | \$1,161,837.92 |
| o Donor                    | _____          |
| o Donor                    | _____          |
| o Government               | _____          |
| Unfunded budget:           | \$370,177.08   |
| In-kind Contributions      | _____          |

Agreed by (UNDP):




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## I. SITUATION ANALYSIS

The continued lack of employment opportunities in the occupied Palestinian territory (oPt) has resulted in an increase in the poverty levels of Palestinians living both in the West Bank and Gaza Strip. According to the PCBS, and based upon ILO standards, “the percentage of persons who don't work, but seeking jobs increased from 25.8% in the 2nd quarter 2008 to 27.5% in the 3rd quarter 2008, and that the unemployment rate in the West Bank increased from 16.3% in the 2nd quarter 2008 to 20.7%.” The age group of 20 to 25 years old have the highest levels of unemployment at 35.1%. The town of Jericho and the Jordan Valley have some of the lowest unemployment rates at 13% due to the strength of its agricultural and tourism sectors.

While peace talks between the Palestinians and Israelis continue to remain at an impasse, the Government of Japan has initiated an initiative that would create a *“corridor for peace and prosperity”*. This confidence building measure would support projects that promote regional cooperation between the Israelis, Palestinian, and Jordanians and enhance economic development opportunities.

The Jordan Valley region, in particular the ancient Palestinian town of Jericho has been selected as the target region for the implementation of the concept. The selection of the region is based upon the regions economic and tourism potential as well as border and transport proximity to the other regional partners. The first project under consideration is the Establishment of an Agro-Industrial Park in Jericho. A feasibility study was commissioned and a report issued by JICA (Japan International Cooperation Agency). The findings of the report have yet to be published. In the meantime, and in an attempt to show the Government of Japan's seriousness to the initiative, it has identified a project with the Palestinian Industrial Estate & Free Zone Authority (PIEFZA) that would service the location of the future Agro-Industrial Park.

The goal of the project will be to prepare the foundations for the construction of an Agro Industrial Park. During this phase of the project, excavations and levelling of the future project site will be implemented in the town of Jericho. While the majority of the project activities due to the nature of the works will require heavy machinery, UNDP where possible will employ labor intensive means in implementing certain activities so as to increase the number of possible workdays generated. During this phase of the project, the following activities are to be implemented:

- Excavation, filling, and leveling of approximately 115,000 square meter of land.
- Construction of a Embankments to prevent soil erosion.
- Construction of a storm water canal around the periphery of the site.
- Installation of a fence around the site to prevent damage upon completion.
- Initial Stages of Road works.

It should be noted that only three of the above mentioned activities will include labor intensive activities (The works related to the embankments, storm water canal, and fence).

As a result of the implementation of this project, the Government of Japan hopes to create an environment that would attract local, regional, and international investors. Moreover, thousands of workdays for unemployed residents who reside in the Jordan valley and Jericho town in particular. In addition, to being part of PIEFZA master plan for Industrial Zones, the project is part of the Jericho Municipalities master plan to encourage growth to outlying communities and stimulate



economic growth. This project will be a stepping stone in the Government of Japan's goal of peace and prosperity in the oPt in particular, and region in general.

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## II. STRATEGY

The United Nations Development Programme/Programme of Assistance to the Palestinian People (UNDP/PAPP) will act as implementing agency for this project. It will engage various local experts and professionals to ensure quality, timely & effective planning, design, excavation and leveling of the project site. It will work in cooperation with its Palestinian partners, in particular the Palestinian Industrial Estate & Free Zone Authority (PIEFZA) on all aspects of the project. Finally, UNDP/PAPP engineers will be in a position to provide capacity building measures to its counterparts, including providing guidelines on the maintenance of the road project.

The project will be implemented advancing the following objectives based upon the Corridor for Peace and Prosperity:

- To establish a viable state for Palestinians accompanied with sustainable economic development through the strengthening of their partnership with neighbouring countries.
- The role of the private sector, coupled with the development of the public private partnership (PPP) is crucial in achieving sustainable economic development. In the West Bank, agriculture and agro-industry could be a driving force for sustainable economic development.

Thus, "construction of agro-industrial business parks will be a significant component" of Economic and Private Sector Development Section of the PRDP and is in line with the Jericho Regional Development Study.

As for the Palestinian, this project is one of a number of Industrial Parks that are planned in various locations in the West Bank (Jenin, Bethlehem, & Hebron) to stimulate economic growth.

Finally, while excavation & leveling projects by definition are not employment generation projects, UNDP/PAPP will attempt to introduce methods of implementation in order to increase the number of direct workdays generated through this project.

### III. RESULTS AND RESOURCES FRAMEWORK

| <p><b>Intended Outcome as stated in the Country Programme Results and Resource Framework:</b><br/> <i>Assign a number to each outcome in the country programme (1, 2,...).</i></p>   |  |  |   |
|--|--|--|---|
| <p><b>Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:</b></p>   |  |  |   |
| <p><b>Applicable Key Result Area (from 2008-11 Strategic Plan):</b> Economic &amp; Private Sector Development (PRDP)</p>   |  |  |   |
| <p><b>Partnership Strategy:</b> Palestinian Industrial Estate &amp; Free Zone Authority (PIEFZA)</p>   |  |  |   |
| <p><b>Project title and ID (00072341) (ATLAS Award ID - 00052877):</b> Phase I: Construction of the Jericho Agro-Industrial Park - Excavation &amp; Levelling Works</p>  |  |  |   |
| INTENDED OUTPUTS   | OUTPUT TARGETS FOR (YEARS)   | INDICATIVE ACTIVITIES  | RESPONSIBLE PARTIES   |
| <p><b>Output 1: Service to future Agro-Industrial Park Enhanced.</b><br/> <i>Baseline:</i> Current levels at project site vary and are not conducive for construction purposes.<br/> <i>Indicators:</i> Levelling of 115,000 square meters is possible incentive to encourage potential investors.</p> | <p>Targets (less than year 1)<br/>                     - Excavation, Filling, and Levelling works completed.</p> | <p>1 Hiring of Project personnel<br/>                     ■ Recruitment<br/><br/>                     2 Excavation &amp; Levelling Works<br/>                     ■ Survey Works<br/>                     ■ Tendering<br/>                     ■ Evaluation<br/>                     ■ CAP/ACP<br/>                     ■ Awarding<br/><br/>                     3 Miscellaneous<br/>                     ● Security costs, transportation, etc.</p> | <p>1. UNDP/PAPP<br/>                     2. UNDP/PAPP in PIEFZA<br/>                     3. UNDP/PAPP</p> |
|  |  |  | <p>INPUTS<br/>                     \$1,431,790</p>  |

#### IV. ANNUAL WORK PLAN

Year: 2010

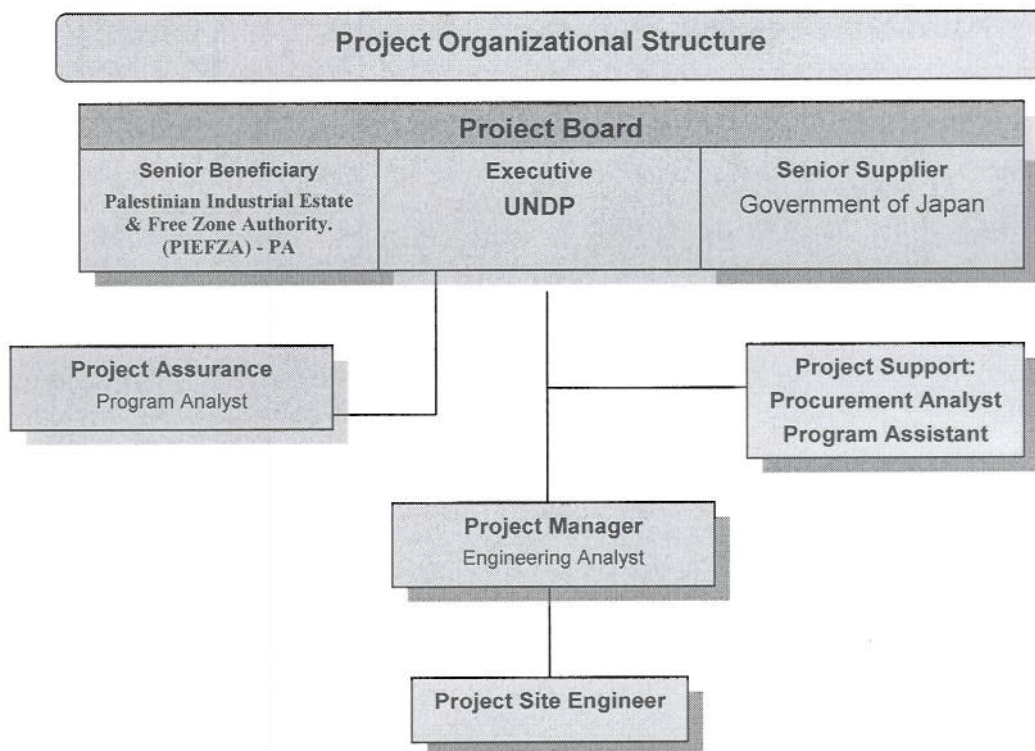
| EXPECTED OUTPUTS<br><i>And baseline, indicators including annual targets</i>  | PLANNED ACTIVITIES<br><i>List activity results and associated actions</i>  | TIMEFRAME |    |    |    | RESPONSIBLE PARTY  | PLANNED BUDGET      |                                   |           |
|---|--|-----------|----|----|----|--------------------|---------------------|-----------------------------------|-----------|
|   |  | Q1        | Q2 | Q3 | Q4 |                    | Funding Source      | Budget Description                | Amount    |
| <b>Output 1: Service to future Agro-Industrial Park Enhanced.</b><br><i>Baseline:</i> Current levels at project site vary and are not conducive for construction purposes.<br><i>Indicators:</i> Levelling of 115,000 square meters is possible incentive to encourage potential investors.<br><i>Baseline:</i> Currently no potential investors of site have been identified.<br><i>Indicators:</i> Number of potential investors showing interest in establishing a presence at the site increases. | 1. Hiring of Project Personnel<br>-Recruitment<br>2. Construction Works<br>-Survey Works<br>- Tendering<br>- CAP and ACP (if necessary)<br>-Awarding of Contract<br>3. Miscellaneous<br>-Security, transportation, site plan.<br>4. GMS<br>-General Management Service Fees. | X         | X  |    |    | UNDP/PAPP          | Government of Japan | Site Engineer<br>\$18,000         |           |
|   |  | X         |    |    |    | UNDP/PAPP & PIEFZA | Government of Japan | Construction Works<br>\$1,405,790 |           |
|   |  | X         | X  |    |    | UNDP/PAPP          | Government of Japan | Miscellaneous<br>\$8,000          |           |
|   |  | X         |    |    |    | UNDP/PAPP          | Government of Japan | GMS 7%<br>\$100,225               |           |
| <b>TOTAL</b>  |  |           |    |    |    |                    |                     |                                   | 1,532,015 |



## V. MANAGEMENT ARRANGEMENTS

UNDP will assign a Program Analyst from its staff to follow up on all managerial, including administrative and financial issues related to the project. In addition, UNDP will assign an Engineering Analyst, who will take on the role of a Project Manager, to manage and handle the daily technical monitoring of the project. Finally, a qualified and experienced site engineer will be hired for the duration of the project to manage the on-site works on a daily basis. The UNDP Program Analyst will be responsible for overall project assurance.

A project board will be established to follow up the works implemented by UNDP. The members of the board will include the Government of Japan as the donor, a representative of the PIEFZA who will coordinate the project with other PA counterparts, and UNDP/PAPP as the implementing partner. This board will meet every 2 months or exceptionally upon request by Board members, to review priorities and progress towards expected results.



The UNDP will utilize its standard Management, Procurement, Contracting, and Financial procedures in the implementation of the project. The project will be tendered locally and through the UNDP procurement web site portal. A public tender opening will occur in which all relevant parties may be present. UNDP's procurement unit will evaluate the tender and only upon approval from UNDP Contracts, Assets, and Procurement Committee will a contract be awarded to the winning contractor. If the contract value is over US\$1 million, the evaluated tender is forwarded to our Headquarters Assets, Contracts, & Procurement committee for further review and final approval.

Based upon the Japan International Cooperation Agency (JICA), Agro Industrial Park Feasibility Study, UNDP and PIEFZA will coordinate the technical specifications and works to ensure that the results are in line with the PA Master Plan for industrial zones.

The UNDP will monitor and supervise all construction works on a daily basis and will be responsible for verifying all works and the issuance of payments to contractors based upon actual works performed. PIEFZA in partnership with UNDP will coordinate and review all plans and works pertaining to the project. However, the UNDP will maintain upper supervision on all works implemented.

Through this mechanism UNDP will directly execute all project activities. The project budget would cover the costs of the Site Engineer and UNDP's General Management Services fees shall be a fixed 7%.

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## VI. MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

### Within the annual cycle

- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available.
- A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key indicators including:
  - Target area to be prepared, leveled, and excavated 115,000 square meters.
  - Target Number of workdays generated is 18,000.
  - Number of potential investors who show interest in establishing a presence at the site increases.

### Quarterly

- **Progress Report.** A Bi-Monthly Progress Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board.
- **Monthly Summary Report.** A monthly summary report, including pictures, will be provided to the donor with a status update.

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## VII. LEGAL CONTEXT

The administration of this project shall be governed by UNDP rules and regulations.

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## VIII. ANNEXES

**Project Proposal:** Includes project goals, objectives, scope of works, draft implementation work plan, potential project risks, environmental impact, and Budget.

**Other:** PA Endorsement Letter & UNDP/PIEFZA Exchange of Letters









الهيئة الوطنية للتخطيط  
 العامة والبنية التحتية  
 الفلسطينية  
 Planning National Authority  
 Palestinian National Estates and  
 Infrastructure Authority (PNEIA)

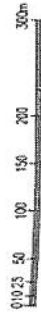


JAPAN INTERNATIONAL COOPERATION AGENCY  
 THE FEASIBILITY STUDY ON AGRO-INDUSTRIAL PARK  
 DEVELOPMENT  
 IN THE JORDAN RIVER BFT VALLEY

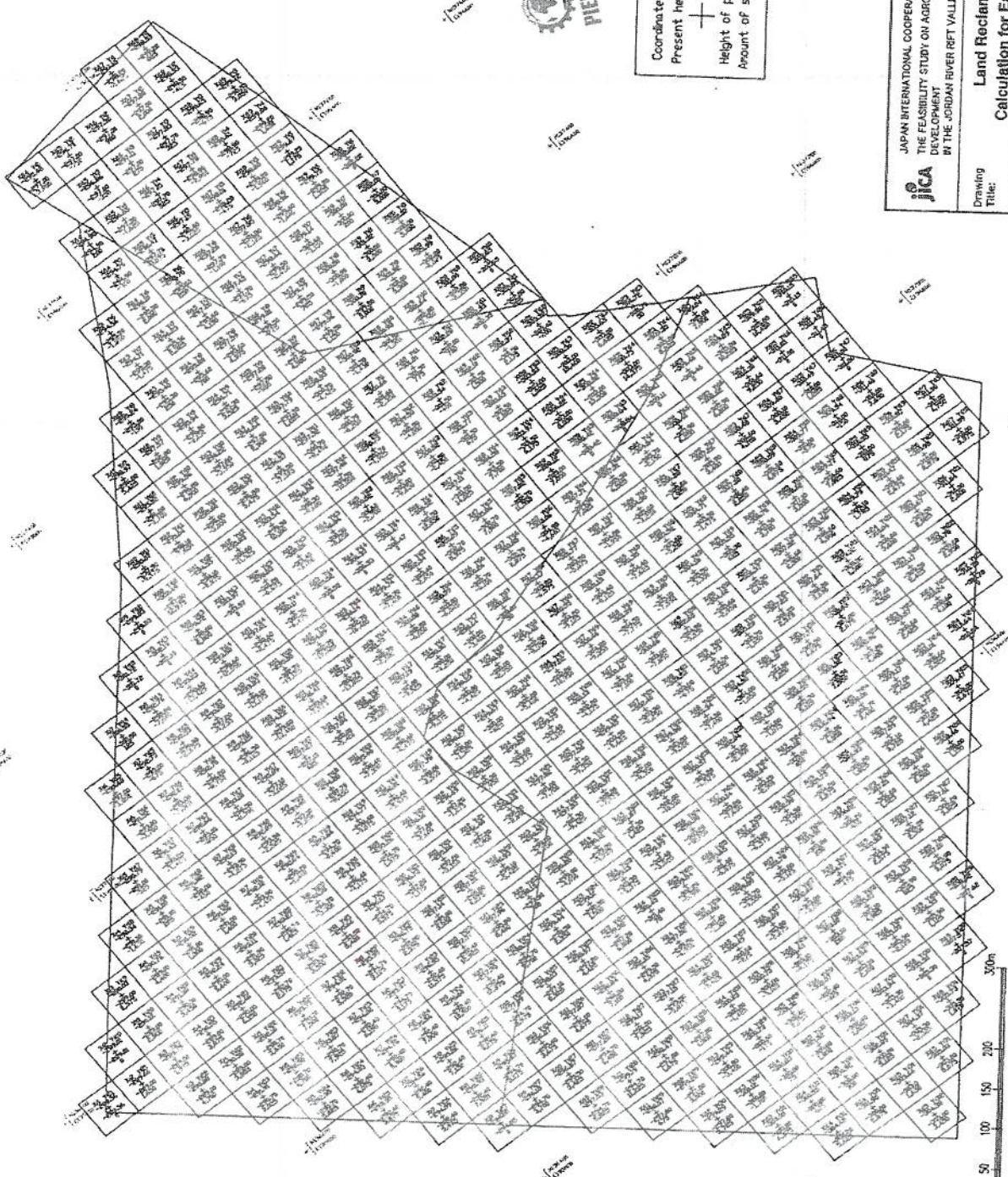


Drawing Title:  
**Land Reclamation**  
**Stage I, II and III, Plan**

Prepared by: NIIPSON K&E: CO., LTD. Drawing No: 206  
 Date: November 2008







الهيئة الوطنية للتخطيط  
 العامة للقطاع الزراعي  
 Jordanian National Authority  
 for Agricultural Planning  
 Paeision Industrial Estate and  
 Paeision Industrial Zone Authority JNB



Coordinates(X Y)  
 Present height(m)  
 Height of place(m)  
 Amount of soil(m<sup>2</sup>)

JICA  
 JAPAN INTERNATIONAL COOPERATION AGENCY  
 THE FEASIBILITY STUDY ON AGRO-INDUSTRIAL PARK  
 DEVELOPMENT  
 IN THE JORDAN RIVER RFT VALLEY

Drawing Title:  
**Land Reclamation**  
**Calculation for Earth Works**

Prepared by: KRI INTERNATIONAL CORP. Drawing No.: 209  
 RSP/04-KRI CO., LTD. Date: November 2008





Palestinian National Authority

Ministry of Planning and  
Administrative Development

Office of the Minister



السلطة الوطنية الفلسطينية

وزارة التخطيط والتنمية الإدارية

مكتب الوزير

Date: 9/9/2009

Mr. Jens Toyberg –Frاندzen  
Special Representative  
UNDP/PAPP

|   |         |
|---|---------|
| وزارة التخطيط والتنمية الإدارية                     |         |
| MINISTRY OF PLANNING AND ADMINISTRATIVE DEVELOPMENT |         |
| مكتب الوزير   |         |
| MINISTER'S OFFICE                                   |         |
| Out/Ref: 2684                                       | صدر رقم |
| Date: 2009/9/9                                      | بتاريخ  |
| File: - - - - -                                     | الملف   |

Dear Mr. Toyberg-Frandzen,

As per your request for the endorsement of the proposed first phase on excavation works in the Agro-Industrial Park site which is supported by the Government of Japan, we would like to grant our approval for this initiative that constitutes one of the Palestinian National Authority's priorities. We would like to stress on the importance of our joint cooperation and continuous consultation to achieve the intended goals.

We appreciate your support and commitment to the development process in Palestine, and we look forward to our continued cooperation.

Sincerely,



Cc/ Mr. Hideaki Yamamoto  
Representative of Japan to PNA

**United Nations Development Programme**

Partnerships Bureau



7 October 2009

Dear Mr. Osuga,

In reference to the Note Verbale No. SC/09/344 on the "Jericho Agro-Industrial Park: Phase I – Excavation Works" may I take this opportunity to thank the Government of Japan for the contribution of one million one hundred sixty one thousand eight hundred and thirty seven point ninety two US dollars (US \$1,161,837.92) to the United Nations Development Programme for the project mentioned above. We wish to confirm that UNDP has the honour to accept this proposed contribution. In accordance with the decisions and directives of UNDP's Executive Board, the contribution shall be subject to cost recovery for General Management Support (GMS) services at the rate of 7%.

It would be appreciated if arrangements could be made to deposit the contribution into the following bank account:

|                      |  |
|----------------------|--|
| Bank:                | JP Morgan Chase Bank<br>International Agencies Banking         |
| Address:             | 270 Park Avenue, 43rd Floor<br>New York, NY, 10017-2014<br>USA |
| Account Title:       | UNDP Contributions Account                                     |
| Bank account Number: | 015002284  |
| SWIFT Code:          | CHASUS33   |
| ABA Number:          | 021000021  |
| Currency:            | USD  |

It would also be very much appreciated if "PAPP" could be clearly stated when payment instructions are transmitted to the Bank in order for us to apply the payment to the fund as intended.

Please accept our sincere appreciation for your continued support to the activities of UNDP.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bruce Jenks', is positioned above the printed name.

Bruce Jenks  
Assistant Administrator and Director  
Partnerships Bureau

Mr. Takeshi Osuga  
Minister  
Permanent Mission of Japan  
to the United Nations  
New York, NY

PERMANENT MISSION OF JAPAN  
TO THE UNITED NATIONS  
NEW YORK

SC/09/369

22 October 2009

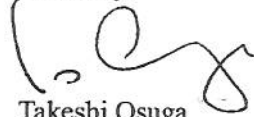
Dear Mr. Jenks,

With reference to your letter dated 7 October, I am pleased to inform you that the Government of Japan will deposit a total of USD 1,161,837.92 into the bank account designated by UNDP for the project titled "Jericho Agro-Industrial Park: Phase-Excavation Works" (herein referred to as "the Project").

In this regard, I would appreciate it if UNDP would promptly send the Permanent Mission of Japan a written confirmation of receipt of the above mentioned deposit.

Finally, the Government of Japan requests UNDP to submit a final report, including a financial statement upon completion of the Project. The financial statement should be based on actual expenditures.

Sincerely,



Takeshi Osuga  
Minister

Mr. Bruce Jenks  
Assistant Administrator and Director  
Partnerships Bureau  
United Nations Development Programme  
New York

cc: Mr. Jiro Usui, Special Advisor and Senior Programme Advisor, Partnerships Bureau





**United Nations Development Programme**

Programme of Assistance to the Palestinian People

برنامج الأمم المتحدة الإنمائي / برنامج مساعدة الشعب الفلسطيني



August 25<sup>th</sup>, 2009

Reference: Agro Industrial Park – Phase I

**EXCHANGE OF LETTERS  
BETWEEN  
PALESTINIAN INDUSTRIAL ESTATES & FREE ZONES AUTHORITY (PIEFZA)  
AND  
THE UNITED NATIONS DEVELOPMENT PROGRAMME/PROGRAMME OF  
ASSISTANCE OF THE PALESTINIAN PEOPLE (UNDP/PAPP)**

Reference is made to the consultations between officials of the United Nations Development Programme/Programme of Assistance to the Palestinian People (UNDP/PAPP) and Palestinian Industrial Estates and Free Zones Authority (PIEFZA) with respect to the implementation of the " Phase I: Construction of the Jericho Agro-Industrial Park - Excavation & Leveling Works." This project component is funded by the Government of Japan up to a maximum amount of **USD \$1,638,250** for the duration of **7 months**.

The objective of the project is to excavate, clear, and level the land associated with the future Agro-Industrial Park located in Jericho. In addition, and in order to create job & income opportunities through the project, approximately 17,000 workdays will be generated by activities associated with the implementation of the works.

UNDP/PAPP shall be the executing and implementing agency, responsible to, and accountable for, managing the project in coordination with PIEFZA (project owner), including the monitoring and evaluation interventions and achieving of project outputs. This letter hereby reaffirms our cooperation for the implementation of the project framework, the details of which are explained within the Project Document, Project Concept, and associated work plan.

PIEFZA shall provide UNDP their endorsement of the design component pertaining to the final version of the Feasibility Study. In addition, PIEFZA shall provide UNDP/PAPP with all relevant information pertaining to the land including documents pertaining to land ownership and all relevant permits, if so required, for the works.

Additionally, PIEFZA will cooperate with UNDP/PAPP and facilitate UNDP/PAPP's role as the executing and implementing agency for the success and smooth implementation of the project.



Finally, a steering committee that includes PIEFZA and UNDP will meet once every two weeks, or as needed to provide guidance and approve milestones.

UNDP will provide copies of reports submitted to the donor on a monthly basis.

This project will go into effect upon the transfer of the funds from the donor and the signing of the project document.

If you are in agreement with the provisions set forth above, please sign and return two copies of this letter. Upon your signature, this letter shall constitute an agreement between PIEFZA and UNDP/PAPP on the terms and conditions for the implementation of this project.

Sincerely Yours,

Roberto Valent  
Special Representative ai.

On behalf of

PIEFZA

Name: Bassim S. Khoury Nasr

Title: minister of National Economy

Date: 27/8/2009



السلطة الوطنية الفلسطينية  
الهيئة العامة للمستثمرين  
والمناطق الصناعية الحرة/المنطقة  
Palestinian National Authority  
Palestinian Industrial Estates  
Industrial Free Zones Authority

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## **PROJECT NAME:**

### **Jericho Agro-Industrial Park: Phase I - Excavation Works**

#### **Goal:**

To provide immediate job opportunities for unemployed Palestinians through the utilization of labor intensive means in excavating and leveling the project site of the Jericho Agro-Industrial Zone.

#### **Objectives:**

1. To excavate, fill, and level approximately 115 dunums of land.
2. To provide immediate job opportunities to the unemployed living in the Jordan Valley region.
3. To create a maximum of 18,000 workdays

#### **The Project Scope:**

The scope of the project is to utilize labor intensive means as much as possible in the excavation and leveling of the future Jericho Agro-Industrial Zone. While the majority of the project activities due to the nature of the works will require heavy machinery, UNDP where possible will employ labor intensive means in implementing certain activities. During this phase of the project, the following activities are to be implemented:

- Excavation, filling, and leveling of approximately 115,000 square meter of land.
- Construction of embankments to prevent soil erosion.
- Construction of a storm water canal around the periphery of the site.
- Installation of a fence around the site to prevent damage upon completion.
- Road works to basecourse layer.

It should be noted that only the last three activities will include high labor intensive activities.

In line with JICA's preferable option of implementation, find below the related costing requirements for excavation, leveling, and earth works as per UNDP's assessment of the documents presented to it by the donor and site visits.

January 8, 2010



For the selected option, the plot of land will be excavated into various terrace arrangements that have different levels and are separated by protected inclined embankments to prevent soil erosion. The land is divided into lots with each lot having its own level.

Benefits for such an option are only possible if there are no changes in the future to the plot arrangements. If any plot level is changed, other plots levels will be affected.

The below Bill of Quantities represent the preliminary costing for the works to be implemented.

| No       | Description  | Quantity              | Unit Price \$ | Total \$       | Labor Content/WDG:               |
|----------|--|-----------------------|---------------|----------------|----------------------------------|
| <b>A</b> | <b>Excavations Up to Sub-grade</b>   |                       |               |                |                                  |
| 1        | Soil Test  | 45<br>borehole        | 150           | 6,750          | 100% - 338                       |
| 2        | Excavations and Filling<br>Areas to be excavated should be compacted by the vibrating roller of 15 tons 4 times.<br>Areas to be filled with the same excavated material should be compacted with 40 cm layers with 15 tons roller 4 times. Watering the fill will be according to lab recommendations. | 58,554 m <sup>3</sup> | 10            | 585,540        | 10% - 2,928                      |
| 3        | Embankment around the lots with slope of ½ covered with stones embedded in concrete  | 9300 m <sup>2</sup>   | 25            | 232,500        | 60% - 6975                       |
| 4        | Embankment around the land with slope of ½ covered with stones embedded in concrete  | 2550 m <sup>2</sup>   | 25            | 63,750         | 60% - 1913                       |
| 5        | Grouted Rip Rap for Storm water channel around the land.   | 1550 ml               | 25            | 38,750         | 60% - 1163                       |
| 6        | Galvanized steel fence to enclose the site.  | 1550 ml               | 30            | 46,500         | 30% - 698                        |
|          | <b>Total Cost Up to Sub-grade Level \$</b>   |                       |               | <b>973,790</b> | <b>14,013 Workdays generated</b> |
| No       | Description  | Quantity              | Unit Price \$ | Total \$       |                                  |
| <b>B</b> | <b>Site Preparation for Road Construction</b>  |                       |               |                |                                  |
| 1        | Sub-grade coarse layer 20 cm thick   | 24000 m <sup>2</sup>  | 5             | 120,000        | 20% - 1200                       |
| 2        | Sub-base Layer   | 24000 m <sup>2</sup>  | 6             | 144,000        | 20% - 1440                       |

January 8, 2010





|   |                            |          |   |                  |                                 |
|---|----------------------------|----------|---|------------------|---------------------------------|
| 3 | Basecourse                 | 24000 m2 | 7 | 168,000          | 20% -1680                       |
|   | <b>Total Road Works \$</b> |          |   | <b>432,000</b>   | <b>4,320 workdays generated</b> |
|   | <b>Grand Total \$</b>      |          |   | <b>1,405,790</b> | <b>WDG 18,332</b>               |

As for the employment generation component of the project, this option has the greatest possibility of creating working day opportunities. In addition, approximately 115 workers will be potentially working on site per day.

In an effort to reduce poverty, unskilled workers will be recruited from the town of Jericho and communities located in the Jordan Valley. Notices and announcements will be placed in villages informing residents of the project and employment opportunities. The contractor will also be informed that unskilled labor must come from the area and this will be stipulated in the information for bidders.

All works associated with the project are dependent upon the receipt by UNDP of all licenses and permits by the legal authority to implement the works.

**Implementation & Management Approach:**

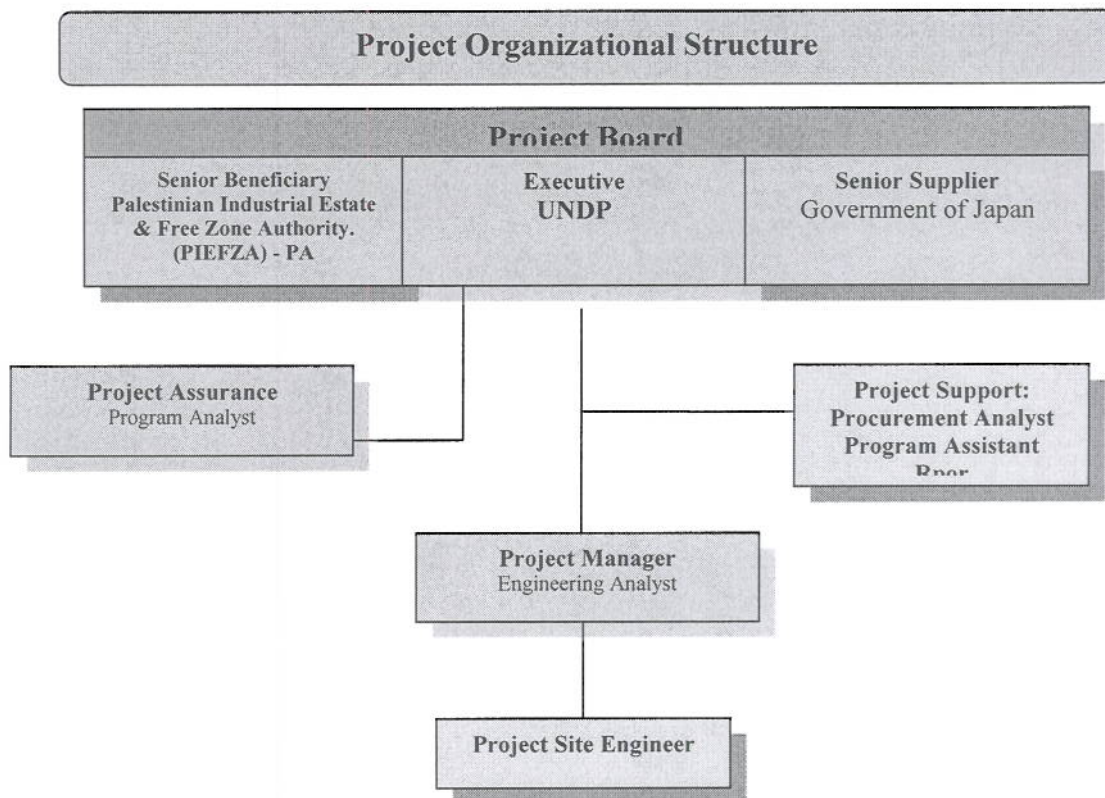
UNDP will assign a Program Analyst from its staff to follow up on all managerial, including administrative and financial issues related to the project. In addition, UNDP will assign an Engineering Analyst (Project Manager) to manage and handle the daily technical monitoring of the project. Finally, a qualified and experienced site engineer will be hired for the duration of the project to manage the on site

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works on a daily basis. The UNDP Program Analyst will be responsible for the projects overall assurance.

A project board will be established to follow up the works implemented by UNDP. The members of the board will include the Government of Japan as the donor, a representative of the PIEFZA who will coordinate the project with other PA counterparts, and UNDP/PAPP as the implementing partner. This board will meet every 2 months or exceptionally upon request by Board members, to review priorities and progress towards expected results.



The UNDP will utilize its standard Management, Procurement, Contracting, and Financial procedures in the implementation of the project. The project will be tendered locally and through the UNDP procurement web site portal. A public tender opening will occur in which all relevant parties may be present. UNDP's procurement unit will evaluate the tender and only upon approval from UNDP Contracts, Assests, and Procurement Committee will a contract be awarded to the winning contractor.

Based upon the Japan International Cooperation Agency (JICA), Agro Industrial Park Feasibility Study, UNDP and PIEFZA will coordinate the technical specifications and works to ensure that the results are in line with the PA Master Plan for industrial zones.

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The UNDP will monitor and supervise all construction works on a daily basis and will be responsible for verifying all works and the issuance of payments to contractors based upon actual works performed. PIEFZA in partnership with UNDP will coordinate and review all plans and works pertaining to the project. However, the UNDP will maintain upper supervision on all works implemented.

Through this mechanism UNDP will directly execute all project activities. The project budget would cover the costs of the Site Engineer and UNDP's General Management Services fees shall be a fixed 7%.

**Draft Implementation Workplan:**

The project duration for all activities is approximately seven (7) months. Below is a draft implementation work plan. A final detailed work plan will be submitted once the project has been approved.

Thus, it is anticipated that actual construction works will start no sooner than January 2010. Only after UNDP has conducted a transparent bidding process as per its UNDP rules and regulations will a contract be awarded. This will also include our Assets, Contracts, and Procurement Committee in New York reviewing our tendering process for activities above \$1,000,000. Thus, it is anticipated that actual works on site, including survey works, will start no sooner than March 2010.

**Draft Implementation Workplan:**

|       |  | YEAR |      |      |      |     |      |      |      |       |      |      |
|-------|--|------|------|------|------|-----|------|------|------|-------|------|------|
|       |  | 2010 |      |      |      |     |      |      |      |       |      |      |
| Task: | Description of Activity:   | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. |
| 1     | Review of Drawings and Bill of Quantities for excavation works.  |      |      |      |      |     |      |      |      |       |      |      |
| 2     | Tendering of Bids for Excavation works.                          |      |      |      |      |     |      |      |      |       |      |      |
| 3     | Recruiting Site Engineer.  |      |      |      |      |     |      |      |      |       |      |      |
| 4     | Evaluation of Excavation works Bids.                             |      |      |      |      |     |      |      |      |       |      |      |
| 5     | Submittal to UNDP's Contracts, Assets, and Procurement Committee |      |      |      |      |     |      |      |      |       |      |      |

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|    |   |  |  |  |  |  |  |  |  |  |  |  |  |  |
|----|---|--|--|--|--|--|--|--|--|--|--|--|--|--|
|    | (CAP) for Recommendation to Special Representative for Approval. (Internal process)   |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 6  | Submittal to New York CAP submission for ACP Approval. (Any procurement above \$1 million must go to NY.                              |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 6  | ZERO VAT clearance from PA MOF.   |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 7  | Awarding of Contract to Winning Contractor and issuing Purchase Order (PO) in the UNDP ATLAS Project and Financial Management System. |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 8  | Contractor Mobilization Period.   |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 9  | Actual Excavation Works.  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 15 | Project Handover and Inauguration Ceremony.   |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Reporting, Monitoring, and Donor Visibility:**

The UNDP will on a bi-monthly basis provide the donor and PIEFZA with a progress report detailing the projects implementation status, financial disbursements, & obstacles encountered. In addition, UNDP will hold monthly consultative meetings with the donor to inform them of project status.

During project implementation, a sign informing the public will be installed informing the public as to the nature of the project and donor.

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Finally, UNDP's communication department will constantly work with the donor & PIEFZA to ensure maximum visibility for the project.

### **Potential Project Risks:**

It should be noted that there may be potential risks and obstacles that may delay the projects implementation. They are:

- Movement restrictions may delay the movement of heavy machinery to the site.
- Weather conditions, if it is a heavy rainy season, may delay project implementation.
- Currency fluctuations may effect the final prices of the project.

### **Environmental Impact:**

During this phase of the project their is limited environmental impact expected. Movement of heavy machinery through residential communities may cause some air and noise pollution until an alternative route to the site is opened. In addition, their will be limited impact on flora, fauna, and animals living in the area.

### **Budget:**

The below table provides a line by line description of budget items and associated costs. The preliminary estimated budget including 7% GMS fess is as follows.

The estimated project budget is **US\$1,532,015** including 7% GMS fees.

| <b>Budget Line Description:</b>                | <b>Est. Budget (\$)</b> |
|--|-------------------------|
| UNDP Site Engineer:                            | \$18,000                |
| Construction Works – Sub-grade                 | \$973,790               |
| Construction Works – Fill                      | \$432,000               |
| Miscellaneous (security, transportation, etc): | \$8,000                 |
| Sub-Total:                                     | \$1,431,790             |
| GMS: 7%  | \$100,225               |
| <b>Total:</b>                                  | <b>\$1,532,015</b>      |

**The project document will be based upon this approach agreed upon by UNDP and PIEFZA.**

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