

Jerusalem Housing Project

**United Nation Development Programme
Programme of Assistance to the Palestinian People**

**2011-2013
Project Document**

Pre-LPAC DRAFT - February 2011

United Nations Development Programme
Country: occupied Palestinian territory (oPt)
Project Document
Project Title: Jerusalem Housing Project

<p>Expected Outcome(s)/ Indicators:</p>	<p>Outcome 1: Enhanced access to effective social, economic and public services and utilities.</p>
<p>Expected Output(s)*:</p>	<p>1. Access to adequate housing units in East Jerusalem supported. Indicator: Numbers of families having access to adequate housing units. Base Line: 20,000 un-adequate housing units in East Jerusalem Target : Fifty four deteriorated housing units rehabilitated throughout the Jerusalem City.</p> <p>2. Access to work in East Jerusalem supported Indicator: Number of working days generated Base Line: 13,000 unemployed persons in East Jerusalem Target: 35,000 work days opportunities</p>

Executing Entity: UNDP/PAPP

Implementing Agencies: Self Help Implementation

Brief Description

Housing problems have been identified as the major reason behind leaving Jerusalem by deprived Palestinian families (source: Motive Factors and existence challenges/ Arab Christian Conference, Amman, April 11, 2002). Addressing the injustices and defending the poorest of the poor has been the main concern of the Islamic Development Bank (IDB, Al Aqsa Fund). IDB cooperates with specialists and other organizations to offer moral and social support to families and individuals, and provide relief to a marginalized Palestinian community through spiritual support, educational opportunities, economic development programs, and advocacy.

In line with the general interventions planned for east Jerusalem by Office of the President in the Palestinian Authority, UNDP/PAPP has been entrusted by the IDB an initial grant of US\$ 3,000,000 for the implementation of the project. It is envisaged that the grant will contribute to improve the physical and social infrastructure for 54 housing unit in East Jerusalem.

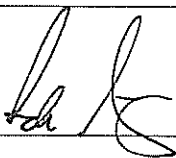
Programme Period:	2011-2013
Key Result Area (Strategic Plan):	Infrastructure
Atlas Award ID:	00061270 (proposal)
Start date:	01 February 2011
End Date:	01 June 2013
PAC Meeting Date:	15/Feb/2011
Management Arrangements:	

Total resources required:	USD 30,000,000
Total allocated resources:	USD 3,000,000
• Regular:	0
• Other:	
◦ Donor:	IDB
◦ Donor:	0
◦ Government:	0
Programmable amount:	USD 2,620,000
UNDP Team and GMS:	USD 380,000
Unfunded budget:	0
In-kind Contributions:	0

Agreed by (Government)

Agreed by (Executing Entity):

Agreed by (UNDP):



I. SITUATION ANALYSIS

1.1 General context of this project

Since the occupation of the Holy City in June 1967, the Israeli Authorities have been adopting what is called the "Silent Deportation" policy that aims at depopulating the indigenous Muslim and Christian citizens of the Holy City and changing the original identity of the land, culture, and characteristics.

In order to maintain a Jewish majority in the city, Israel has adopted two main policies; the first one is direct, which is the "expropriation of land for military and security purposes" under the pretext of "emergency law" which was issued in the year 1948 after the war. The second policy is an indirect one that is related to the city planning and rezoning and aims at freezing or maintaining the Arab population in the city below the 28% line, by prohibiting the building on certain land plots in the Eastern side of Jerusalem.

On the other hand, bureaucratic procedures and complicated conditions are in place when issuing building permits for the Arab neighbourhoods; while for Jewish neighbourhoods the situation is much easier, usually they enjoy swift replies for their applications, and speedy issuance of building permits. The Israeli government has been adopting a double standards policy to the extent that in the year 1995, they approved the transformation of a "Green Area" to a very populated Jewish settlement full of housing units by the name of "Har Homa".

Although the Arab population constitutes 33% of the Jerusalem population, only 12% of the housing units built since the occupation of the city were allocated for them. On the other hand, 88% of the housing units built during the same period were allocated for Jewish families. What is alarming is the fact that almost half of the Jewish dwellings were built by the Israeli Government itself which reflects evident governmental support to the Jewish neighbourhoods, whereas most of the Arab dwellings were built from private funds.

In light of this unfair context, the Arab Jerusalemite is left alone with two choices; either to construct his home illegally, and here Israel comes and demolishes it, or to leave his own city to other neighbourhoods outside the city of Jerusalem. When moving out of Jerusalem, the residents are exposed to Israel expropriating their civil and social rights, and confiscating their Jerusalem identity card which is the only insurance to stay in one's native land.

1.2 National Statistics

1.2.1 - Jerusalem at a glance

Between 1948 and June 1967, Jerusalem was divided in two: West Jerusalem, which covered an area of about 38 km², under Israeli control, and East Jerusalem, an area of some 6 km² (including the Old City), was ruled by Jordan.

In June, 1967, following the Six-Day War, Israel annexed some 70 km² to the municipal boundaries of West Jerusalem. In addition to East Jerusalem (the area that was under Jordanian rule), the annexed lands

included an additional 64 km², most of which belonged to twenty eight villages in the West Bank, and the remaining annexed lands were within the municipal boundaries of Bethlehem and Beit Jala. The area of West Jerusalem thus tripled, making Jerusalem the largest city under Israeli control.

Prior to 1967, most of the area comprising what Israelis' call today "unified Jerusalem" was not a part of Jerusalem at all, but rather a part of the West Bank. East Jerusalem is considered occupied Palestinian territory under International Law and conventions.

1.2.2 - Statistics

Of the 70 km² of land annexed to Jerusalem following the 1967 War, 23.5 km², or slightly more than a third were expropriated under the Land Ordinance (Acquisition for Public Purposes) of 1943. The first expropriation included (3.830 km², January, 1968) where most of the landowners were Arabs. The second expropriation covered (0.881 km², April 1968) where approximately 25 percent of the land was privately owned by Arabs.

The third expropriation included (12.280 km², August 1970), which accounted for about half of all the land that was expropriated after 1967, some 10 km² were Arab-owned, 1.405 km² were Jewish-owned, and 0.575 km² were Jordanian lands.

The sixth fourth expropriation covered (1.850 km², April, 1991) where 0.420 km² were Arab-owned.

1.2.3 - Population

The current population in Jerusalem is 748,000 residents, the percentage of Jews is 66%, and Arabs comprise 33% and 1% are foreigners. The Arab presence in Jerusalem and the demographic indicators are considered a constant challenge to the state of Israel, therefore the Israeli government has been taking on policies and endorsing regulations to encourage the influx of Jews to the city through granting them incentives to possess their own housing units, exempting them from specific taxes, and creating soft-loans programs to facilitate the settlement of the newly-married Jewish couples in Jerusalem.

1.3 Analysis of the local context

1.3.1 - Housing Needs

The Palestinian community in East Jerusalem needs approximately 1500 building permits each year. Unfortunately Israel only issues 200 permits only, which mean that the Palestinian minority is obliged to build illegal housing units that are demolished afterwards by the Israeli forces.

Out of the annexed 70 km², only 5 km² is allocated for Palestinian housing needs (about 7.1% of the total area of East Jerusalem; out of which 7.3% is available for residential and only some 0.6% for commercial and industrial construction.

It is very difficult for Palestinians to obtain building permits. It is estimated that one-third of the buildings in East Jerusalem (10,000 houses) were built without permits and are thus 'illegal' under Israeli law, and that four out of every five houses built are illegal every year.

One of the main obstacles in obtaining building permits is that large areas of East Jerusalem land have been declared 'unfit for building' or as 'green' or 'open space,' where construction is forbidden.

In order to obtain a building permit, one has to prove that he owns the land. Unfortunately, Palestinians did not document their land ownership under the consecutive occupations starting from the Ottoman rule, the British Mandate, Jordanian and ending with the Israeli rule. Not to mention that land is often owned by several inheritors many of whom fled their homeland following the harsh socio-political deteriorations.

On top of all the aforementioned challenges, comes the very high cost for issuing a building permit, which is estimated around \$20,000 needed to be paid for one housing unit permit. The vast majority of the Palestinians cannot afford this high price in light of the prevailing poverty rates which have sky rocketed to 62.46% (CIA World Fact Book December 2008).

1.3.2 - House demolitions in Jerusalem

Since the beginning of 2010, 50 house demolitions were implemented by the Israeli Authorities or by citizens themselves "self-demolition", resulting in the displacement of 75 people including 40 children. 42 out of 50 house demolitions were implemented by the Israeli Authorities in different areas of Jerusalem, whereas 8 citizens demolished their houses with their own hands (self demolition). The following table shows the numbers of house demolitions and the people displaced according to the area:

Area	Residential Structures	Non residential structures	Adults	Children	Self Demolition	Israeli Authorities
Al-Tur	2	9	4	10	1	10
Al-Thouri	2	1	2	5	2	1
Za'ayem	0	1	1	0	0	1
Old City	2	0	5	3	2	0
Beit Hanina	2	1	2	4	0	3
Al-Isawiyeh	3	14	2	0	0	17
Silwan	0	4	1	0	0	4
Jabal Al-Mukaber	2	0	12	9	0	2
Sur Baher	3	0	6	9	3	0
Sheikh Jarrah	0	2	0	0	0	2
Beit Safafa	0	2	0	0	0	2
TOTAL	16	34	35	40	8	42

Data published by: Al-Maqdese for Society Development (MSD) – Jerusalem – November 2010

1.3.3 - Buildings threatened of Demolition

The Israeli Authorities and Jerusalem Municipality continue issuing orders of demolitions for Palestinian houses in Jerusalem. Demolition orders for ~~1322~~ structures were issued since the beginning of 2010 that

would result in the displacement of 3655 people, including 1699 children. These orders included the following areas of Jerusalem:

Area	No. of structures	Adults to be displaced	Women to be displaced	Children to be displaced	Total
Al-Isawiyeh	29	30	34	47	111
Al-Sawahreh	8	5	3	10	18
Al-Tur	77	40	29	54	123
Al-Thouri	88	70	71	222	363
Beit Hanina	166	177	185	185	547
Beit Safafa	21	15	15	30	60
East Jerusalem	405	349	144	209	702
Jabal Al-Mukaber	92	64	61	132	257
Old City	83	32	19	50	101
Ras Al-A'Mud	63	50	35	63	148
Sheikh Jarrah	3	0	1	0	1
Shu'fat	22	11	8	0	19
Silwan	208	270	172	592	1034
Sur Baher	38	25	22	85	132
Wadi Al-Joz	19	11	8	20	39
TOTAL	1322	1149	807	1699	3655

Data published by: Al-Maqdese for Society Development (MSD) – Jerusalem – November 2010

This table shows that the Israeli Authorities target all the Palestinian neighbourhoods in Jerusalem, focusing on Silwan in which tens of demolition orders were given to 208 structures. In the Israeli Authorities implemented orders, 1034 people will be consequently displaced, including 592 children.

As for the Old City 83 orders of house demolition were issued and most of these are for “self-demolition”, which means that Israeli Authorities orders the house owners to demolish their house with their own hands, displacing 101 people, including 50 children. Also, in Beit Hanina, 166 orders of house demolition were issued that would displace 547 people, including 185 children in case of implementation.

1.3.4 - Seized buildings

A settler group continues systematically with the Israeli Authority support to claim the ownership of a number of the Palestinian houses in Jerusalem. These groups have seized 10 buildings in Jerusalem and in other areas; where 28 structures were seized with 158 residents, including 85 children. The following table shows the number of seized buildings according to area:

Area	No. of buildings	No. of structures	Adults	Children	Total
Sheik Jarrah	5	14	42	35	77
Old City	2	10	27	25	52
Beit Safafa	1	1	5	12	17
Jabal Al-Mukaber	1	3	6	8	14
Al-Tur	1	1	2	5	7
TOTAL	10	29	82	85	167

Data published by: Al-Maqdese for Society Development (MSD) – Jerusalem – November 2010

1.3.5 - Buildings threatened to be seized

At the same time that the settler groups are seizing Palestinian homes in Jerusalem, these groups distribute new notices to seize other houses. 9 of the Palestinian families were given notices to evacuate their houses under the pretext of ownership by those settler groups and in case of implementing these orders, 65 people will be displaced, including 22 children. The following table shows the Palestinian houses threatened to be seized:

Area	No. of buildings	No. of structures	Adults to be displaced	Children to be displaced	Total
Sheikh Jarrah	8	14	33	7	40
Silwan	1	3	10	15	25
TOTAL	9	17	43	22	65

Data published by: Al-Maqdese for Society Development (MSD) – Jerusalem – November 2010

II. STRATEGY

2.1 Project Strategy

UNDP/PAPP planned Project outputs will contribute to the first goal of its mid-term strategic framework that strives to work on the protection and promotion of livelihoods, economic recovery and self reliance. UNDP/PAPP aims to enable the Palestinian people to respond to and recover from the existing socio-economic crisis by maintaining and improving the individual and community capacities and resources, as they form the building blocks of the Palestinian society.

In realizing its objective, UNDP/PAPP will promote and accelerate broad-based human development and achievement of the MDGs. In supporting human development in the oPt, UNDP/PAPP will improve security and living conditions within communities.

Provision of technical assistance, best practices and implementation support within sub-sectors of utilities, electricity, alternative energy, solid waste and water, transport, housing and communications.

Using the self help modality, the project will respond to the immediate need or providing emergency support to the housing sector in Jerusalem City targeting the deteriorated homes owned by low income families in Jerusalem.

UNDP will carry out the project in three phases which are:

- Mobilization and start up by UNDP. Throughout this phase all agreements as well as necessary human resources are in place.
- Survey and reassessment of the cases within the available database. Eventually, each household scope of activity is well defined and priced.
- Implementation interventions through the beneficiaries. Rehabilitation activities will be paid through local banks in installments against preset schedule with mutually agreed upon milestones as follows:
 - During implementation, milestones are determined for each individual beneficiary.

- Updated lists of due payments against milestones to beneficiaries are provided to the bank.
- Beneficiaries are paid directly by the bank according to the list.

Planned Controls

Adopting the participatory approach, UNDP/PAPP will assure proper coordination of all project activities with all concerned stakeholders including, IDB representative, beneficiaries and other key players and donors. The UNDP will conduct a field survey and identify the scope of work for each legible case identified versus preset eligibility criteria.

In order to avoid any duplication of services offered, UNDP/PAPP will compare the legible list against other key players' database.

Payments to beneficiaries will be advanced through local banks that will receive money transfer from UNDP directly versus a certified payment request verified and approved by UNDP.

2.2 Direct and indirect Beneficiaries

The program contributes to poverty reduction through micro-level interventions: alleviating economic burdens by supporting the rehabilitation of housing units and creating job opportunities. The project has been designed on the existing assets and strengths of the target population and it is further contribution to strengthening their livelihoods. It specifically targets 54 Palestinian families and generates 35,000 work days opportunities.

2.3 Expected outcome and related indicators

Outcome 1: Enhanced access to effective social, economic and public services and utilities.

Indicator 1 : Number of families having access to housing units.
2: Number of working days generated

2.4 Expected outputs

1. Access to housing units in East Jerusalem supported.
2. Access to work in East Jerusalem supported

III. RESULTS AND RESOURCES FRAMEWORK

Intended Outcome as stated in the Country Programme Results and Resource Framework:

1. Enhanced access to effective social, economic and public services and utilities.

Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:

Indicator: % of families with access to adequate housing facilities in Jerusalem

Base Line: % of families have access to adequate housing facilities in Jerusalem

Target: % of families have access to adequate housing facilities in Jerusalem

Applicable Key Result Area (from 2008-11 Strategic Plan): Promote sustainable livelihood and self-reliance, specially enhance access to effective social, economic and public services and utilities.

Partnership Strategy: Effective cooperation between UNDP, local banks and beneficiaries by adopting the self help implementation modality to achieve the intended outcome.

Project title and ID (ATLAS Award ID):

INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEAR 2011)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
Output 1: Access to housing units in East Jerusalem supported.	A: Fifty four deteriorated housing units rehabilitated throughout the Jerusalem City.	1. Start up and Mobilization	UNDP	180,000 (Excluding GMS 7%)
Output 2: Access to work in East Jerusalem supported	B. 35,000 work days opportunities	2. Assessment survey and selection of the eligible beneficiaries	UNDP	2,607,000 (Excluding GMS 7%)
Contingencies				16,738
Sub-Total				2,803,738 (Excluding GMS 7%)
GMS 7%				196,261
Total				3,000,000

IV. ANNUAL WORK PLAN

Year: 2011

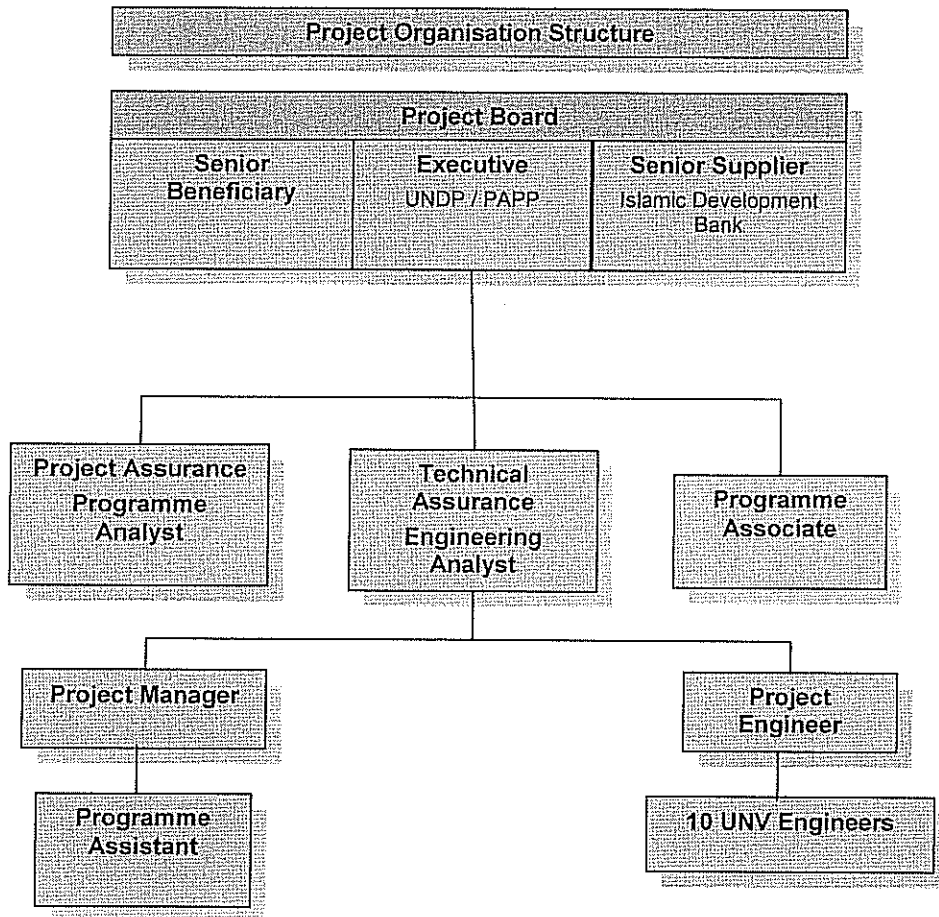
EXPECTED OUTPUTS	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q 1	Q 2	Q 3	Q 4		Funding Source	Budget Description	Amount
		Output 1: Access to housing units in East Jerusalem supported.	1. Start Up and Mobilization 1.1 Agreements and MOUs 1.2 Establishing PIU and staff recruitment 1.3 Signed agreement among UNDP, and local Banks	X X X					UNDP
Output 2: Access to work in East Jerusalem supported	2. Assessment survey and selection of the eligible beneficiaries 2.1 Survey forms produced and distributed. 2.2 Selection of final beneficiaries list and Identify scope of work as well as cost estimate 2.3 Signed agreement with individual house owners. 2.4 Preparation of designs 2.5 Review of designs and approval	X X X	X X	X		UNDP	IDB	Rehabilitation \$ 1,394,745 (Including GMS 7%)	
3. Rehabilitation of 54 deteriorated houses in Jerusalem 1.3.1 Self help construction works 1.3.2 Verification of payments to beneficiaries 1.3.3 Developing reporting system 1.3.4 Finalizing and closing up the project		X	X X X	X X X	X X X	UNDP	IDB	Rehabilitation \$ 1,394,745 (Including GMS 7%)	
TOTAL (GMS Included)									\$1,491,045

ANNUAL WORK PLAN

Year: 2012

EXPECTED OUTPUTS	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q 1	Q 2	Q 3	Q 4		Funding Source	Budget Description	Amount
		Output 1: Access to housing units in East Jerusalem supported.	1.1 Agreements and MOUs 1.2 Establishing PIU and staff recruitment 1.3 Signed agreement among UNDP, and local Banks						IDB
Output 2: Access to work in East Jerusalem supported	2. Assessment survey and selection of the eligible beneficiaries 2.1 Survey forms produced and distributed. 2.2 Selection of final beneficiaries list and Identify scope of work as well as cost estimate 2.3 Signed agreement with individual house owners. 2.4 Preparation of designs 2.5 Review of designs and approval								
	3. Rehabilitation of 54 deteriorated houses in Jerusalem 1.3.1 Self help construction works 1.3.2 Verification of payments to beneficiaries 1.3.3 Developing reporting system 1.3.4 Finalizing and closing up the project	X X X	X X X	X X X	X X X	UNDP	Rehabilitation	1,394,745 (Including GMS 7%)	
TOTAL (GMS Included)									\$1,491,045
Total Budget (GMS Included)									\$2,982,090
Contingencies (GMC Included)									\$17,910
Grand Total (GMC Included)									\$ 3,000,000

V. MANAGEMENT ARRANGEMENTS



General Management Arrangements

The project will be directly executed by UNDP following the direct execution procedures (DEX). The DEX modality is permitted only in exceptional circumstances, such as post conflict countries, where the national government lacks technical capacities to manage programmes in its portfolio. Under this modality UNDP takes full responsibility for implementation, management and achievement of project objectives.

UNDP/PAPP will identify the scope of work with beneficiaries and work with them to fully deliver the rehabilitation activities with acceptable quality.. UNDP will call the operating local NGO's to submit their lists of potential beneficiaries; On-site assessment Socio-economic and technical surveys will be conducted to produce the final list of beneficiaries. Cash assistance agreements will be put in place between the beneficiaries and UNDP to start the implementation works on the ground.

Risk and obstacles Encountered

There are serious risks that may hinder the implementation of the programme, or may affect the achievement of expected results and outcomes. These risks are related to:

- Access to the Old City and confined neighbourhoods in Jerusalem is limited in terms of construction material access.
- Internal Political instability
- Limited Numbers of Palestinian contractors in Jerusalem Area.
- The increase in cost of construction materials. With a fluctuating dollar and decreased access, the cost of materials has increased well beyond initial budget projections. Working to increase the flow of goods and materials will help mitigate rising costs. UNDP will monitor and track costs; utilizing local or alternative materials when possible.
- Deficiency in cash money in the local banks which might delay payment transfer to the beneficiaries.
- Bad weather conditions

Project Parties

1. Representative of Islamic Development Bank (IDB)
2. United Nation Development Programme, Programme of Assistant to the Palestinian People (UNDP/PAPP).
3. Local Banks
4. Beneficiaries

General Responsibilities of the Parties

1. The Parties agree to join efforts and to maintain close working relationships based on mutual commitment to partnership, as per the needs of each component;
2. The Parties agree to carry out their respective responsibilities in accordance with the provisions of the present agreement, and to undertake the intervention in accordance with UNDP policies and procedures as set out in the UNDP Programming Manual, which forms an integral part of the present agreement
3. The Parties shall, on a regular basis, keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration. Additionally, the Parties shall keep each other informed of all activities pertaining to the project and shall consult at minimum once a month on matters that may have a bearing on the status of the "Parties" in the country or that may affect the achievement of the objective with a view to reviewing the project annual Work Plans and Budget.
4. Each Party shall nominate authorized person who will be responsible to represent the party for the Project on its behalf.

5. The Parties shall cooperate with each other in obtaining any licenses and permits required by national laws, where appropriate and necessary for the achievement of the Objectives of the Project. The parties shall also cooperate in the preparation of any reports, statements or disclosures, which are required by national law.
6. The Parties shall cooperate in any public relations or publicity exercises, when the UNDP/PAPP Special Representative deems these appropriate or useful.

Responsibilities of Islamic Development Bank IDB

1. The role of the **IDB** partner is mainly to provide construction funds within the total investment amount of **USD 3,000,000**
2. Review and approve the project proposal submitted by UNDP/PAPP.
3. Review and approve the final financial results of the audit reports submitted by UNDP/PAPP.

Responsibilities of UNDP/PAPP

UNDP acts as the Executing Agency for the Project responsible thereafter for the following:

1. UNDP/PAPP will be responsible for the overall management of the project, achievement of the project activities, results and outputs, management and financial monitoring according to outlined procedures, rules and regulations.
2. To provide the initial lists of the potential beneficiaries, application forms, selection criteria, grants scoring card and value.
3. Prepare TOR and agreements with the banks.
4. To carry out field survey on the beneficiaries and verify the illegibility with all key players and stakeholders versus preset identified criteria.
5. Establishment and administration of the Project, achievement of Project outcomes and output;
6. To lead the technical and operational aspects of the project while ensuring proper documentation and supervision;
7. To prepare the project overall work-plans and provide regular progress reports to the steering board of the project;
8. To appoint competent staff and experts for the management of the project;
9. To engage the local bank in the cycle of the project activity and advance payments according to preset plan.
10. To submit the request for fund disbursement to the Islamic Development Bank IDB in line with the progress of the work and disbursements, and assure the funds are utilized as per the Project Document;
11. To conduct overall monitoring and management of the activities and use of fund in accordance with the regulations, rules procedures and directives of UNDP, maintain separate financial records, and submit the operational and financial progress to the Donor on a quarterly basis, and to the PA for information purposes;
12. To keep up proper electronic filing system for each case with relevant supporting documents. Filing will include progress reports and financial status of each case.
13. To periodically prepare progress reports on the activities to donor.
14. Upon the completion and internal check and acceptance of the project, submit the related report for final as-built acceptance by the Islamic Development Bank IDB and the Palestinian Party.
15. To contribute in the final evaluation of the project.
16. To carry out final financial audit for the project outputs.

Responsibilities of Bank(s)

Bank(s) operating in the West Bank act as part of the project team, working under UNDP/PAPP supervision, to provide the necessary cash assistance to the potential beneficiaries, and are considered as the intermediate body between the UNDP/PAPP and potential beneficiaries. Bank(s) are responsible thereafter for the following:

1. To formulate and enter into financing agreements with the selected beneficiaries under UNDP/PAPP supervision.
2. To provide cash assistance to the selected beneficiaries upon the agreed schedule and UNDP/PAPP clearance.
3. To submit periodic financial reports (deposits, expenditures and balance sheets) to UNDP/PAPP.

Implementation Project Team Responsibilities:

Overall responsibilities¹: The Project Board is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance to standards² that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision shall rest with the UNDP Programme Manager. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when PM tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains three roles, including:

- 1) An Executive: individual representing the project ownership to chair the group.
- 2) Senior Supplier: individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project.
- 3) Senior Beneficiary: individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Specific responsibilities:

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC).
- Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the Project Management team;

¹ Source: Guidelines on UNDP Implementation of UNDAF Annual Review Process

² UNDP Financial Rules and Regulations: Chapter E, Regulation 16.05: a) The administration by executing entities or, under the harmonized operational modalities, implementing partners, of resources obtained from or through UNDP shall be carried out under their respective financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. b) Where the financial governance of an executing entity or, under the harmonized operational modalities, implementing partner, does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition that of UNDP shall apply.

- Delegate any Project Assurance function as appropriate;
- Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);
- Review and appraise detailed Project Plan and AWP, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.
- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager's tolerances in the Annual Work Plan and quarterly plans when required;
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide on project changes through revisions;
- Assure that all Project deliverables have been produced satisfactorily;
- Review and approve the Final Project Review Report, including Lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement)
- Notify operational completion of the project to the Outcome Board.

Executive

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organisation structure and logical set of plans
- Set tolerances in the AWP and other plans as required for the Project Manager
- Monitor and control the progress of the project at a strategic level
- Ensure that risks are being tracked and mitigated as effectively as possible
- Brief Outcome Board and relevant stakeholders about project progress
- Organise and chair Project Board meetings

Senior Beneficiary

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The role represents the interests of all those who will benefit from the project, or those for whom the deliverables resulting from activities will achieve specific output targets. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness the role should not be split between too many people.

Specific Responsibilities

- Ensure the expected output(s) and related activities of the project are well defined
- Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
- Promote and maintain focus on the expected project output(s)

- Prioritise and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Resolve priority conflicts
- Specification of the Beneficiary's needs is accurate, complete and unambiguous
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target
- Impact of potential changes is evaluated from the beneficiary point of view
- Risks to the beneficiaries are frequently monitored

Senior Supplier

The Senior Supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role.

Specific Responsibilities

- Make sure that progress towards the outputs remains consistent from the supplier perspective
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management
- Ensure that the supplier resources required for the project are made available
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts
- Advise on the selection of strategy, design and methods to carry out project activities
- Ensure that any standards defined for the project are met and used to good effect
- Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- Monitor any risks in the implementation aspects of the project

Project Manager

Overall responsibilities: The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The Implementing Partner appoints the Project Manager, who should be different from the Implementing Partner's representative in the Outcome Board. Prior to the approval of the project, the Project Developer role is the UNDP staff member responsible for project management functions during formulation until the Project Manager from the Implementing Partner is in place.

Specific responsibilities would include:

- Manage the realization of project outputs through activities;
- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Board or its appointed Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Liaise with any suppliers;
- May also perform Team Manager and Project Support roles;
- Plan the activities of the project and monitor progress against the initial quality criteria.
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- Monitor events as determined in the Monitoring & Communication Plan, and update the plan as required;

- Manage requests for the provision of financial resources by UNDP, using advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures);
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Manage and monitor the project risks as initially identified in the Project Brief appraised by the LPAC, submit new risks to the Project Board for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
- Be responsible for managing issues and requests for change by maintaining an Issues Log.
- Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Board and Project Assurance;
- Prepare the Annual review Report, and submit the report to the Project Board and the Outcome Board;
- Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.
- Prepare Final Project Review Reports to be submitted to the Project Board and the Outcome Board;
- Identify follow-on actions and submit them for consideration to the Project Board;
- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;
- Prepare final CDR/FACE for signature by UNDP and the Implementing Partner.
- From the lessons learned, prepare a hand book for the self help modality.

Project Assurance (Programme/Engineering Analyst)

Overall responsibility: Project Assurance is the responsibility of each Project Board member; however the role can be delegated. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

Project Assurance has to be independent of the Project Manager; therefore the Project Board cannot delegate any of its assurance responsibilities to the Project Manager. A UNDP Engineering Analyst typically holds the Project Assurance role.

The implementation of the assurance responsibilities needs to answer the question “What is to be assured?” The following list includes the key suggested aspects that need to be checked by the Project Assurance throughout the project as part of ensuring that it remains relevant, follows the approved plans and continues to meet the planned targets with quality.

- Maintenance of thorough liaison throughout the project between the members of the Project Board.
- Beneficiary needs and expectations are being met or managed
- Risks are being controlled
- Adherence to the Project Justification (Business Case)
- Projects fit with the overall Country Programme
- The right people are being involved
- An acceptable solution is being developed
- The project remains viable
- The scope of the project is not “creeping upwards” unnoticed
- Internal and external communications are working
- Applicable UNDP rules and regulations are being observed
- Any legislative constraints are being observed
- Adherence to RMG monitoring and reporting requirements and standards
- Quality management procedures are properly followed
- Project Board’s decisions are followed and revisions are managed in line with the required procedures

Specific responsibilities would include:

- Ensure that project outputs definitions and activity definition including description and quality criteria have been properly recorded in the Atlas Project Management module to facilitate monitoring and reporting;

- Ensure that people concerned are fully informed about the project
- Ensure that all preparatory activities, including training for project staff, logistic supports are timely carried out
- Ensure that funds are made available to the project;
- Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;
- Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality log in particular;
- Ensure that Project Quarterly Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality;
- Ensure that CDRs and FACE are prepared and submitted to the Project Board and Outcome Board;
- Perform oversight activities, such as periodic monitoring visits and “spot checks”.
- Ensure that the Project Data Quality Dashboard remains “green”
- Ensure that the project is operationally closed in Atlas;
- Ensure that all financial transactions are in Atlas based on final accounting of expenditures;
- Ensure that project accounts are closed and status set in Atlas accordingly.

Project Supervision (Project Engineer)

Specific responsibilities would include:

- Review tenders documents of the construction activities, and bring to the attention of the Engineering Analyst any issues that might affect the technical soundness of the works; check and review the shop drawings as submitted by the contractor.
- Provide daily supervision tasks of the construction activities to ensure the works are implemented in accordance with the designs and technical specifications.
- Supervise performance in all matters related to safety and workmanship at the projects’ site.
- Closely monitor the progress of the construction works to ensure compliance with the construction schedules and; where needed, bring to the attention of the Engineering Analyst, and the contractor any delays in the schedule.
- Assist the Engineering Analyst in conducting regular assessment of contract quantities to ensure they do not exceed allocated contract amounts.
- Participate in regular site coordination meetings with all technical project personnel, counterpart engineers, contractors, and suppliers to discuss project matters, and prepare the minutes of such meetings which should be forwarded to the Project Manager and Engineering Analyst.
- Ensure proper filling of all correspondences, minutes of meetings, and other relevant project data
- Assist the Engineering Analyst in the review and evaluation of suggestions made by the counterpart for modifications to the interventions.
- Participate in the committee for final inspection and handover of the construction works.
- Provide inputs to the Engineering Analyst relevant to the formulation of the technical progress report in line with the Project Document and donor requirements.

Project Support

Overall responsibilities: The Project Support role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager. The provision of any Project Support on a formal basis is optional. It is necessary to keep Project Support and Project Assurance roles separate in order to maintain the independence of Project Assurance.

Specific responsibilities:

- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer the quality review process
- Administer Project Board meetings
- Administer project revision control
- Establish document control procedures
- Compile, copy and distribute all project reports
- Assist in the financial management tasks under the responsibility of the Project Manager
- Provide support in the use of Atlas for monitoring and reporting
- Provide technical advices
- Review technical reports
- Monitor technical activities carried out by responsible parties

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

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- 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 in the Executive Snapshot.
- 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 management actions/events

Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.
- **Field visits.** A representative from the UNDP office should visit the project at least once a week. Field visits serve the purpose of results validation, especially when undertaken in the first half of the year. If undertaken in the latter part of the year, the field visit should provide latest information on

progress for annual reporting preparation. Field visits should be documented through brief and action-oriented reports, submitted within the week of return to the office.

➤ **Quality Management for Project Activity Results**

OUTPUT 1: Start up and Mobilization		
Activity Result 1 TORs and MOUs	<i>Short title to be used for Atlas Activity ID:</i> <i>Signing agreements with the local banks Establishing PIU</i>	Start Date: Quarter 1/2011 End Date: Quarter 1/2011 Including procurement process (1 months/ 2 nd Month of Q1).
Purpose	<i>To involve the relevant parties in implementation of the project..</i>	
Description	<i>Signing memorandum of understanding and terms of reference with the local bank and determining the responsibilities and obligations for each party.</i>	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. what method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>
TORs and MOUs are clear and specified in terms of responsibilities and obligations	Review the draft agreements before signing it from all project parties.	Weekly & Monthly

➤

OUTPUT 2: Reassessment survey and Determination of the Anticipated Beneficiaries		
Activity Result 1 Site survey and verification of information	<i>Short title to be used for Atlas Activity ID</i> Beneficiary Survey Assessment	Start Date: Quarter 1/2011 End Date: Quarter 3/2011 Including procurement process (1 months/ 3 rd month of Q1).
Purpose	To verify, select and approve the final beneficiaries list and pertinent entitlements.	
Description	<i>UNDP team will assess 150 deteriorated housing units based on the initial list that is submitted by local NGOs in order to update and verify the units status as well as to re evaluate the cost estimate for each case. Accordingly, the final beneficiary lists will be produced.</i>	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>
Review supporting documents and carry out double check with the operating NGO's	Conducting sample surveys to determine the level of accuracy.	Weekly

OUTPUT 3: Rehabilitation of 54 deteriorated housing units throughout East Jerusalem		
Activity Result 1 Finalizing rehabilitation of 54 housing units	<i>Short title to be used for Atlas Activity ID</i> <i>Rehabilitation of deteriorated houses</i>	Start Date: Quarter 2/2011 End Date: Quarter 3/2012 Including procurement process (6 months)
Purpose	<i>To enable 54 families to inhabit their damaged housing units.</i>	
Description	<i>The rehabilitation activities will include different kinds of activities depending on the physical conditions of the units. In terms of responsibilities, the UNDP team will follow up the daily activities and will provide upper supervision with all project implementation progress .</i>	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. what method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>
BOQ, Specifications and technical tests	Approvals of materials, Technical tests results and daily follow up.	Weekly & Monthly & Quarterly

VII. LEGAL CONTEXT

The project document shall be the instrument envisaged in the Supplemental Provisions to the Project Document, attached hereto.

Consistent with the above Supplemental Provisions, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP's property in the executing agency's custody, rests with the executing agency.

The executing agency shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the executing agency's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

ANNEXES

OFFLINE RISK LOG

(see Deliverable Description for the Risk Log regarding its purpose and use)



Project Title: Rehabilitation of deteriorated housing units in Jerusalem through deploying self help initiative		Date: 18 Jan. 2011
Award ID:		

#	Description	Date Identified	Type	Impact & Probability	Countermeasures /Mngt response	Owner	Submitted, updated by	Last Update	Status
1.	Access to the Old City and confined neighbourhoods in Jerusalem is limited in terms of construction material access.		Environmental Financial Operational Organizational Political Regulatory Strategic Other	Delay Implementation Enter probability on a scale from 1 (low) to 5 (high) P = 4 Enter impact on a scale from 1 (low) to 5 (high) I = 4	Goods and materials supply are to be scheduled at non-rush hours	Project Manager and Project Assurance	Engineering Analyst	TBD	TBD
2	Internal Political instability		Environmental Financial Operational Organizational Political Regulatory	Delay Implementation P = 4	Financial: The expected delay encountered by the mentioned risk should be addressed. Any noted supervisory	Project Manager and Project Assurance	Engineering Analyst	TBD	TBD

				I = 4	Strategic Other			cost or other costs to be reviewed Political Discuss possible scenarios with Donor and Beneficiary.				
3	Limited numbers of Palestinian contractors in Jerusalem Area.		Environmental Financial Operational Organizational Political Regulatory Strategic Other	Delay Implementation P = 3 I = 3	in Implementation	Self help implementation modality	Project Manager and Project Assurance	Engineering Analyst	TBD	TBD	TBD	TBD
4	The increase in cost of construction materials.		Environmental Financial Operational Organizational Political Regulatory Strategic Other	Delay Implementation P = 1 I = 1	in Implementation	Financial: The expected delay encountered by the mentioned risk should be addressed. Any noted supervisory cost or other costs to be reviewed	Project Manager and Project Assurance	Engineering Analyst	TBD	TBD	TBD	TBD
5	Weather Conditions		Environmental Financial Operational Organizational Political Regulatory Strategic Other	Minor Delays Implementation P = 1 I = 1	in Implementation	The said risk should be considered in the implementation period.	Project Manager and Project Assurance	Engineering Analyst	TBD	TBD	TBD	TBD

Annex 2: Project Budget Sheet

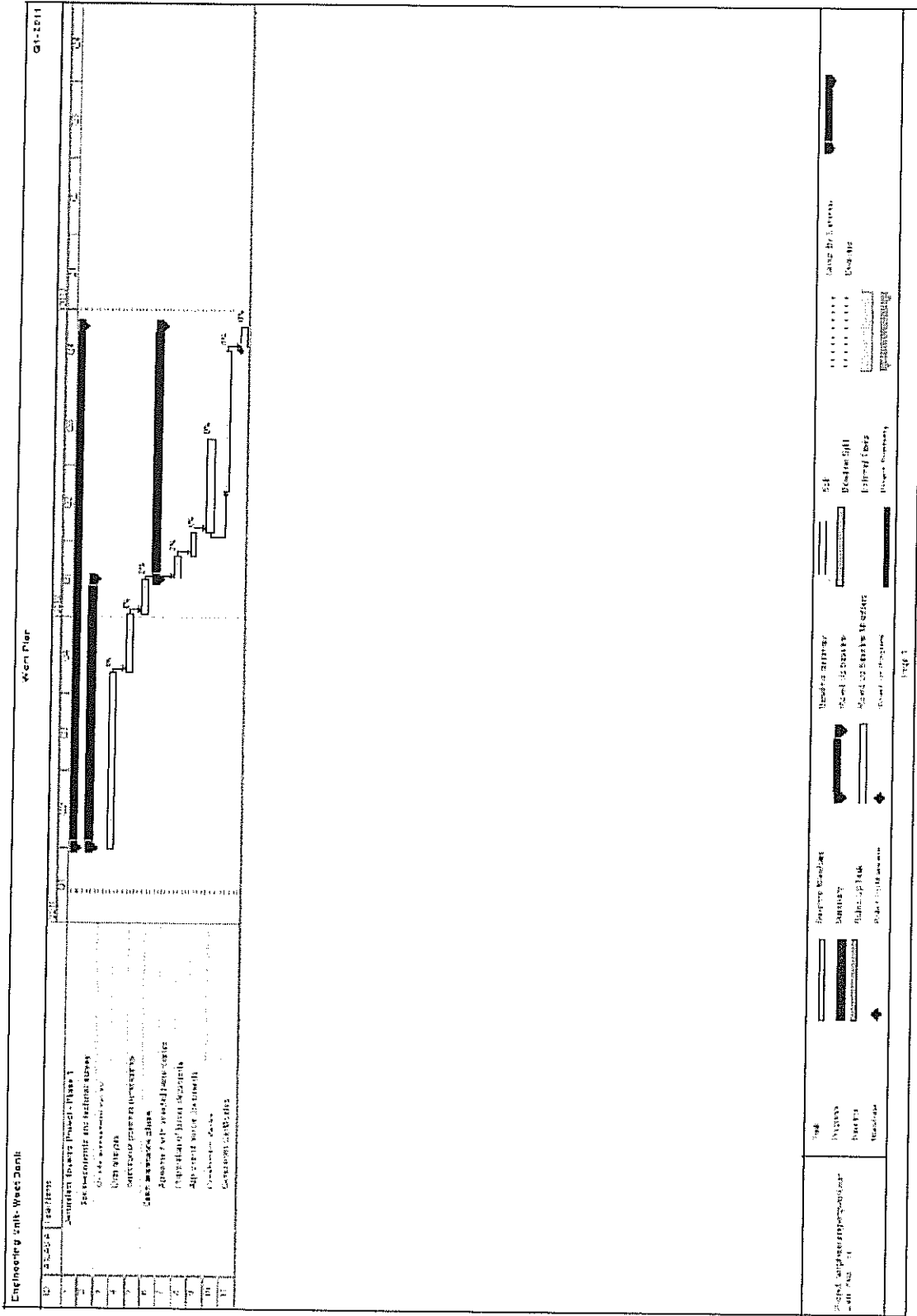
Project Budget Sheet

Project: Jerusalem Housing Project

Donor: Islamic Development Bank - IDB

Item	Activity	Unit	Cost	QTY	Total Cost (USD)	2011	2012
1	Project Management - Project Implementation Unit (PIU)						
1.1	Project Manager SB 4/2	Month	3,516	12	\$42,192	\$21,096	\$21,096
1.2	Site Engineer SB 4/1	Month	3,300	12	\$39,600	\$19,800	\$19,800
1.3	10 UNV's	Month	685	120	\$82,200	\$41,100	\$41,100
1.4	Utilities & office space	Month	1,334	12	\$16,008	\$8,004	\$8,004
	Total Activity 1				\$180,000	\$90,000	\$90,000
2	Rehabilitation Works						
2.1	Fifty four (54) housing units	No	48,278	54	\$2,607,000	\$1,303,500	\$1,303,500
	Total Activity 2				\$2,607,000	\$1,303,500	\$1,303,500
3	Contingency	LS	16,738	1	\$16,738	\$8,369	\$8,369
4	Total Cost of Project Activities (1+2+3)				\$2,803,738	\$1,401,869	\$1,401,869
5	UNDP General Management Cost (7%)				\$196,262	\$98,131	\$98,131
6	Total Project Cost				\$3,000,000	\$1,500,000	\$1,500,000

Annex 3: Project Work plan



PERFORMANCE MONITORING FRAMEWORK⁺

Jerusalem Housing Project

Qtr I - 2011

Results	Indicators	Definition/ Notes	Baseline/ Source/ Year	Target	Means of Verification	Frequency	Responsibility	Projects/ Programmes
	Indicators following SMART criteria	Define the scale, scope and any qualitative dimension	With baseline source and date	Indicator target disaggregated as necessary	Source and Method of data collection for the indicator	When/ how often data would be collected expressed in Quarter/Month/Year	Who is responsible to report on indicator?	
Outcome 1 – Enhanced access to effective social, economic and public services and utilities.								
Output 1 – Access to housing units in East Jerusalem supported	Number of families having access to housing units		1.500 housing units shortage in East Jerusalem	54 housing units rehabilitated	PCBS	Yearly	Project manager	Jerusalem Housing Project
Output 2 – Access to work in Jerusalem supported	Number of working days generated	-	13.000 unemployed persons in East Jerusalem	35000 work days generated	Jerusalem Arab Chamber of Commerce and Industry	Yearly	Project manager	Jerusalem Housing Project