

Ref: UNDP/PAL 10/ 77024
20 March 2020

Subject: Hebron Courthouse Project – Annual Project Progress Report 2019

Dear Ms Simpson,

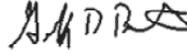
Reference is made to the contribution agreement between Global Affairs Canada and UNDP's Programme of Assistance to the Palestinian People for the Hebron Courthouse Construction Project (GAC Reference Project no. P-000469 (ex Z-020917) Arrangement #500 7056285).

I am pleased to submit herewith the annual 2019 narrative and financial progress report for the Hebron Courthouse Construction project.

The report summarizes the progress of the project as of 01 January 2019 to 31 December 2019, and provides an overview of the achievements, challenges, lessons learned, financial status and way forward.

I thank the Government of Canada for its contributions to UNDP, and look forward to strengthening our partnership in support of the Palestinian people.

Sincerely yours,


Geoff Prewitt
2020.03.20 12:33:38
+02'00'

Geoffrey Prewitt
Special Representative
of the Administrator a.i.
UNDP/PAPP

Attached: 2019 Annual Project Progress Report – Hebron Courthouse Project

Ms Lydia Simpson
First Secretary (Justice Sector)
Global Affairs Canada
Ramallah

Construction and Equipping of the Hebron Courthouse Facilities Project

Project Annual Progress Report - 2019



Reporting Period:	01 January 2019 – 31 December 2019
Project Title:	Construction and Equipping of the Hebron Courthouse Facilities
Administration Agreement End Date:	31 July 2022
Project Budget:	CDN \$32,793,367
Partners:	Donor: Global Affairs Canada (GAC) – formerly, the Canadian Department for Foreign Affairs, Trade and Development (DFATD) – and referred to upon signature of Administrative Arrangement (AA) as the Canadian International Development Agency (CIDA) Implementing Partner: High Judicial Council (HJC)
Project Number:	UNDP Reference: PAL 10 – 00077024 GAC Reference: P-000469 (ex Z-020917), Arrangement #500 7056285

Contents

Abbreviations	2
Executive Summary	3
Background	4
Key Events and Activities During 2019	5
Project Staff	12
Design and Procurement	13
Construction	16
Value Engineering to Reduce Cost and Delay	16
Project Construction Technical Committee	18
Project Steering Committee	18
Environmental Compliance.....	18
Health and Safety	19
Challenges	20
Challenges that were Cleared During 2019	21
Lessons Learned	21
Way Forward	22
General Project Risks During the Reported Period.....	22
Risks During the Coming Reporting Period	24
Proposed New Budget Submitted to GAC	26
Resources and Financial Status.....	26
Report Attachment/s	26
Project Photos During 2019	27
Explanatory Notes to the Financial Rundown (Annex C)	29
Annex A: Project Logic Model	31
Annex B: Performance Management Framework.....	32
Annex C - Project Financial Rundown Overview	38
Interest Amounts Accumulated Up to End of 2018	39
Received Tranches	39

Abbreviations

AA	Administrative Arrangement
AAU	AAU Anastas Office (Project Designer)
BMS	Building Management System
CAP	UNDP Contract, Asset and Procurement Committee
CIDA	Canadian International Development Agency
CBA	Cost Benefit Analysis
CDG	(Community Development Group), UNDP Architectural Consultant
DFATD	Canadian Department of Foreign Affairs, Trade and Development
EMP	Environmental Management Plan
EQA	Environment Quality Authority (State of Palestine)
FF&E	Furniture, Fixtures and Equipment
GAC	Global Affairs Canada
HJC	High Judicial Council
HQ	UNDP's Headquarters in New York
JDC	Jerusalem Design Centre
JV	Joint Venture
MoPWH	Ministry of Public Works and Housing
NSF	Palestinian National Security Forces
JSC	Hebron Municipality Joint Service Council
RFP	Request for Proposals
PSC	Project Steering Committee
PIU	UNDP Project Implementation Unit
CTC	Project Construction Technical Committee
TOR	Terms of Reference
UNDP/PAPP	United Nations Development Programme/ Programme of Assistance to the Palestinian People
UNOPS	United Nations Office for Project Services
ILO	The International Labour Organization - United Nations Agency
LCCA	Life Cycle Cost Analysis
VRF	Variable Refrigerated Flow - air conditioning system used in the project which depends on the VRF

Executive Summary

This report provides updates related to the progress of the Hebron Courthouse project for the period 01 January 2019 to 31 December 2019.

During the reporting period, construction works continue to progress on site. Although the project is facing challenges and delays, it is still progressing positively to meet its overall goal and objectives.

During 2019, the skeleton works reached the fourth-floor level in part B of block 1 and is progressing well in the others blocks. Also, the finishing works (mainly: block work, plastering work and mechanical electrical first fix) reached the ground floor level.

There were major accomplishments also on material approvals by the end of 2019, where most of the major materials and equipment were submitted by the contractor and approved.

Several value engineering ideas were proposed and implemented during 2019 that enabled the site team to accelerate the construction process and reduce the initial construction costs.

While the project did achieve good progress on the ground in 2019, it is currently experiencing a four-months delay on the critical path schedule. The primary reason for this is that the contractor faced difficulties in securing and maintaining the skilled manpower, as Palestinian labourers were preferring to work in Israel due to higher wages. Another challenge facing the project is the contractor's exaggerated claims either for the stoppage period in 2018, or due to the structural changes performed by the designer as a result of the structural review.

As we move into 2020, and in order to recover some of the four-month delay, UNDP will be pressuring the contractor to finalize the skeleton works within the first quarter of 2020 and accelerate the finishing activities. Moreover, and in parallel, it will be important to expediate the stone cladding works and start the flooring works especially in the basement -2 and -1 and ground floor levels. Such efforts, as well as exercising double shifts, will be part of the actions to recover from the current project delays.

In addition, and as per UNDP's budget proposal sent to GAC on 31 May 2019, and updated in December 2019, it is imperative for UNDP and GAC to agree on a new amended budget.

The main events/activities performed during 2019 were:

1. The skeleton works reached the fourth floor in block 1. Block 3 and 4 skeleton works are almost completed and finishing works are progressing and have reached the ground floor.
2. On 16 July 2019, the Ninth Project Steering Committee was conducted in Hebron Municipality.
3. Nineteen (19) Construction Technical Committee meetings were held.
4. The Palestinian Ministry of Labour visited the project site four times and conducted site inspections for safety measures and labour welfare.
5. The contract with the project architectural firm, Anastas office (AAU) was terminated as per AAU's request. UNDP has hired Structural, Mechanical and Architectural design engineers to replace AAU.
6. Four value engineering proposals were studied by the CTC in 2019, and were either approved or implemented on site.
7. The entire UNDP site team were fully recruited and working on site.
8. On 31 May 2019, UNDP submitted to GAC a revised project budget to cover the current deficit resulting from the caves discovery and the design review. As per GAC's request, this budget was revised again based on an updated cost to completion exercise performed by the UNDP site team during November and December 2019. A revised budget was submitted to GAC on 27

December 2019.

Background

An Administrative Arrangement (AA) was signed between the Canadian International Development Agency (CIDA) - official name changed later to Canadian Department of Foreign Affairs, Trade and Development – DFATD- “Donor” and UNDP, on 03 March 2011, for a total value of (CAD \$27,024,281). Under this AA, UNDP acts as the executing/implementing agency, while the project owner is the High Judicial Council (HJC). The AA aimed to provide improved service delivery to the Palestinian people through the construction of the Ramallah Courthouse Complex (Palace of Justice), to symbolize and support Palestinian state building, where the administration of justice would be strengthened and modernized.

On 25 June 2014, the project was re-scoped. Because of the re-scoping, responsibility for the design and construction of the Hebron Courthouse was transferred to UNDP from the Palestinian Economic Council for Development and Reconstruction (PECDAR), as Canada decided not to proceed with the design and construction of the Ramallah Courts Complex. The project re-scoping included the following:

- UNDP was tasked with the design and construction of the Hebron Courthouse.
- Canada would no longer fund the design and construction of the Ramallah Courthouse Complex.
- Procurement of the furniture, fixtures, and equipment (FF&E) for the Hebron Courthouse facilities.
- DFATD increased its contribution to the project to a total value of CAD \$32,793,367 Canadian Dollars.

The Hebron Courthouse will house the First Instance, Magistrate and Appeal courts, Public Prosecution Service, and the Judicial Police Services in a facility with a gross floor area of approximately 16,170 square meters.

On 08 September 2017, amendment No. 2 of the administrative arrangement between UNDP and DFATD was signed covering:

- The project timeline was extended from 31 December 2018 to end on 31 July 2022.
- The construction budget was reduced from US\$ 16,250,000 to US\$ 16,137,645.33.
- The FF&E budget was reduced from US\$ 2,887,500 to read US\$ 1,750,000.
- The management and quality assurance budget lines were increased to accommodate for the time extension.

The project goal remains the same, which is to enhance the ability of the Palestinian government to dispense the rule of law in an efficient and effective manner, with the following outcome and output:

- Outcome: Rule of law and access to justice enhanced.
- Output: Hebron Courthouse facility built and equipped to meet international courthouse architectural design best practice.

Key Events and Activities During 2019

No	Activity Description	Activity Date
1	<p>A project Construction Technical Committee (CTC) meeting was conducted on site. During this meeting, the following issues were discussed:</p> <ul style="list-style-type: none"> ○ Project progress status. ○ Municipality related issues. ○ Project site overall safety. ○ Structural design review done by the project designer (AAU). ○ Technical issues in the project. 	02 January 2019
2	<p>A CTC meeting was held with the following topics discussed:</p> <ul style="list-style-type: none"> ○ Project progress status. ○ Project site overall safety. ○ Material submittals. 	14 January 2019
3	<p>UNDP mechanical engineer (Eng. Hussein Awad) joined the UNDP Project Implementation Unit (PIU)</p>	16 January 2019
4	<p>Structural design review updated drawings were received from the designer. The new drawings contained lots of changes in the walls, columns, slabs thickness and reinforcement in all building blocks. It should be noted that the structural design review started in early October 2018 based on a report submitted by the contractor claiming that there is a deficiency in the structural design. Note: On 30 January, the structural drawings were received with only the updated architectural drawings received on 10 April 2019.</p>	30 January 2019
5	<p>A CTC meeting was conducted on site. The following points were discussed:</p> <ul style="list-style-type: none"> ○ Project progress status. ○ Structural design review. ○ Municipality related issues (building footprint and updated drawings to be handed over to the municipality). ○ Preliminary study of changing the slab system (Value Engineering). ○ Material submittals (the VRF system mainly). 	04 February 2019
6	<p>A letter was received from AAU, informing UNDP that AAU will not perform part C of their contract (site supervision) unless the terms of contract were reviewed and the new proposal, in which fees were considerably increased, is officially answered by UNDP.</p>	05 February 2019
7	<p>A meeting was held between UNDP site team and the contractor to study and agree on the contractor's proposal (the value engineering proposal), including the financial and technical study to change the slab system to post tension. In this meeting the following was agreed:</p> <ul style="list-style-type: none"> ○ To ease the construction process and to overcome the delays caused by the design review and the change of walls reinforcement. It was agreed to change the slab system into post tensioned flat slabs and to omit the drop beams. 	19 February 2019

	<ul style="list-style-type: none"> ○ After reviewing the financial study submitted by the contractor, it was agreed that a 10% saving will be gained on the slabs price for the project. ○ It was agreed that the post tension design and implementation will be performed by a third-party local subcontractor specialized in post tension. ○ It was agreed that while the specialized subcontractor will be responsible on the design of the slabs, the design will be reviewed by AAU structural engineer to confirm that there is no effect on the structural walls. <p>This proposal for change was submitted to the CTC for approval before proceeding, since the CTC is the technical change authority in the project.</p>	
8	<p>A CTC meeting took place in HJC offices in Ramallah, where the following topics were discussed:</p> <ul style="list-style-type: none"> ○ Project site safety. ○ Project progress status. ○ Contractor proposal (value engineering) of changing the structural slab system. ○ Material submittals (the VRF system mainly). <p>During this meeting, the CTC approved to change the slab system into post tension due to the benefits the project will gain.</p>	25 February 2019
9	<p>GAC technical expert (Canadian based monitor) Mr Roman Mychajlowycz visited the site.</p> <ul style="list-style-type: none"> ○ Mr Mychajlowycz met with UNDP site team and was briefed on the site progress achieved so far. ○ Mr Mychajlowycz investigated and reviewed the site quality assurance files, and the request for information sent to AAU which was not answered by AAU. ○ Mr Mychajlowycz was informed on the difficulties faced by the project site team dealing with the project designer and the changes introduced by the project designer because of the design review. <p>Mr Mychajlowycz requested a quality assurance section to be added to the project monthly report.</p>	03 March 2019
10	<p>A meeting was held between the post tension subcontractor and AAU structural engineer at AAU office in Bethlehem. In this meeting, it was agreed to adhere with UNDP requirements in performing a structural check to review the post tension slabs effect on the walls.</p>	25 March 2019
11	<p>A Construction Technical Committee (CTC) meeting was conducted on site. It was attended by all parties including GAC representative. During this meeting, the following points were discussed:</p> <ul style="list-style-type: none"> ○ Project progress status. ○ Progress achieved in the design of the new slab system (post tension slabs). ○ Project site safety. ○ Material submittals (Porcelain tiles colour selection). <p>During this meeting, AAU rejected to give any input for the Porcelain tiles submitted by the contractor even though this was part of his responsibilities.</p>	25 March 2019

12	The Palestinian Ministry of Labour (MoL) Auditors visited the site, investigated the site safety measures for the Tower Crane, and requested the certificates. All requested documentation was furnished to the MoL, as well as labourers IDs to ensure that there are no workers under the age of 18 years old.	02 April 2019
13	A Construction Technical Committee (CTC) meeting was conducted at the Attorney-General Office (AGO) in Ramallah. The following topics were discussed during the meeting: <ul style="list-style-type: none"> ○ Project site safety. ○ Project progress status. ○ The visit conducted by the Palestinian Ministry of Labour to the site. ○ Donor Environmental Consultant planned visit to the site on Wednesday 24 April 2019. ○ Post tension slabs design status. ○ Structural designer exercise for check post tension slabs on the ETABS model. ○ Floors height reduction starting from Basement -1. ○ Tiles samples review and approval. 	08 April 2019
14	Updated architectural drawings were received from the project designer.	10 April 2019
15	GAC Head of Mission (HoM) visited the site in the presence of the UNDP Special Representative of the Administrator where he was briefed on issues facing the project, including the obstacles faced with the design firm, and had a tour of the project site to observe project progress.	17 April 2019
16	UNDP Electrical Engineer Mr Diaa Qasqas officially joined the team at site.	23 April 2019
17	A CTC meeting was conducted at site. The following issues were discussed: <ul style="list-style-type: none"> ○ Project site safety. ○ Project progress status. ○ Post tension slabs design status. ○ Floors height reduction starting from Basement -1. ○ Tile samples review and final approval. ○ Contractor change proposals (LED lights and diesel fire pump replacement with electrical pump). ○ Other technical issues, (i.e. basement walls waterproofing). 	24 April 2019
18	AAU project designer sent a letter to UNDP requesting to terminate his contract.	30 April 2019
19	A meeting at UNDP offices in Jerusalem took place between GAC and UNDP Senior Management, where GAC was informed of the UNDP decision to terminate the project designer (AAU) contract due to a breach in contract.	06 May 2019
20	During the above-mentioned meeting, UNDP presented to GAC an alternative plan to recruit local design firms for each required engineering expertise for the project to replace (AAU). GAC also in the same meeting requested UNDP to submit a full financial status of the project by end of May 2019.	06 May 2019
21	A Construction Technical Committee (CTC) meeting was conducted at the site and the following topics were discussed: <ul style="list-style-type: none"> ○ Project site safety. ○ Progress status. ○ Contractor change proposals. 	15 May 2019

	<ul style="list-style-type: none"> ○ Changing firefighting diesel pumps to an electrical pump set. ○ Floors height reduction starting from Basement -1. <p>During the above-mentioned CTC meeting, the committee approved the contractor proposed change to replace the diesel fire pump with an electrical fire pump. The approval took into consideration that the electrical pump will require less maintenance and will cost less during the project operational phase.</p>	
22	It was agreed between UNDP Programme Analyst and GAC Representative to postpone the project third tranche payment from May 2019 to September 2019.	16 May 2019
23	<p>A contract termination letter was issued to the project designer (AAU) based on their breach of contract and based on his request received on 30 April 2019 to terminate the contract between (AAU) and UNDP. The letter was drafted in coordination with UNDP legal office in Headquarters.</p> <p>The above termination letter held (AAU) liable for all consequences of this termination. (AAU) was also held liable for extra costs or claims resulting from the structural design review they performed. The letter also requested (AAU) to officially hand over to UNDP all materials that were produced for the project benefit (i.e. drawings, calculations, software models, etc.).</p>	25 May 2019
24	<p>A Construction Technical Committee (CTC) meeting was conducted in the High Judicial Council (HJC) premises in Ramallah. The following topics were discussed during this meeting:</p> <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Floor height reduction proposal ○ VRF system submittal 	27 May 2019
25	Based upon a GAC request, UNDP sent to GAC a financial status overview for the project together with a proposed amendment to the project budget. The amendment aimed to cover the current project deficit.	31 May 2019
26	<p>The Construction Technical Committee (CTC) meeting (No. 21) was conducted at the site and the following topics were discussed during this meeting:</p> <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Project designer termination ○ Contractor change proposals (Value Engineering) <p>A- Changing firefighting diesel pumps to electrical pump set.</p> <p>B- Floors height reduction starting from Basement level -1. It should be noted that during this meeting, the CTC approved this reduction for floor heights.</p> <p>C- Changing some internal partitions into gypsum boards instead of block walls.</p>	17 June 2019
27	GAC Local Monitor, Mr Ashraf Qrei, together with GAC Structural Adviser, Mr Abdallah Awad, visited the site where they checked the calculations for the construction section of the budget amendment submitted to GAC.	22 June 2019
28	An updated cash flow sheet was sent to GAC for their review.	25 June 2019

29	A Construction Technical Committee meeting (No. 22) was held on site. The following topics were discussed and agreed upon accordingly: <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Post tension slabs ○ Contractor's changed proposals / Systems approvals and status including: <ul style="list-style-type: none"> ✓ Firefighting pumps: update was given on their status ✓ VRF System status ✓ Elevators ✓ LED Lights changed proposal 	08 July 2019
30	GAC Head of Mission and UNDP Representative visited the site, where they have been briefed on the project status.	15 July 2019
31	The project Ninth steering committee meeting took place and was hosted by Hebron Municipality. All committee members visited the site after the meeting to witness the progress achieved so far. The committee in this ninth meeting acknowledged the following: <ol style="list-style-type: none"> 1. The continuation of current project stage – Skeleton Works. 2. The Project Construction Technical Committee (CTC) approval on changing the slab system to Post- Tension concert slabs system, and to reduce the floor heights above the basement -2 level. 3. The start of next project stage – Finishing Works. 	16 July 2019
32	UNDP site engineers and the contractor engineers visited Tulkaram Court to get a close look at the installed systems there and have a clear idea on the best way to install similar systems at Hebron courthouse that will best benefit the HJC.	23 July 2019
33	UNDP shared the required documents for the budget review as requested by GAC. It should be noted that UNDP agreed with the contractor to share those documents with GAC.	24 July 2019
34	GAC local monitor and GAC structural consultant, Mr Abdallah Awad, visited the site where they fully reviewed the construction's new proposed budget and all the additional items mentioned in the UNDP report sent to GAC on 31 May 2019.	25 July 2019
35	A Construction Technical Committee meeting was held in HJC offices in Ramallah (meeting No. 23). The following topics were discussed and agreed upon accordingly: <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Post Tension slabs ○ Material Submittals /proposals status 	29 July 2019
36	UNDP and Community Development Group (CDG) signed a contract to provide Architectural Consultation for the UNDP site team.	07 August 2019
37	A Construction Technical Committee (CTC) meeting (No. 24) was conducted at the site and the following topics were discussed: <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Contractor material /equipment submittals status 	26 August 2019
38	GAC sent UNDP a report prepared by their monitor and consultant regarding UNDP's proposed project budget update, sent to GAC on 31 May 2019.	29 August 2019

39	UNDP site Finishing Engineer (Eng. Ziad Rimawi) started his duties on site.	02 September 2019
40	A meeting between GAC Head of Cooperation and UNDP Senior Management took place at UNDP office in Jerusalem where the new budget proposal was discussed and the timing of the project third tranche.	05 September 2019
41	Mr Roman Mychajlowycz (GAC international monitor) visited the site with GAC representative. Mr Mychajlowycz audited UNDP quality assurance and material submittals files and folders. Mr Mychajlowycz also had a brief with UNDP Project Manager on the importance of changing the slab system and reducing the floor height and how it resulted in major savings as it prevented the contractor from claiming extra time and cost due to the changes of the structural review.	09 September 2019
42	Mr Mychajlowycz and his partner visited the site. Mr Mychajlowycz and the partner reviewed some aspects of the design and had a meeting with the UNDP architectural consultant where they requested him to review the current design. For example, they requested to raise the courts' corridor on the third floor in order to enhance the judge's accessibility. They also requested to review the window design and check the possibility of keeping the window closed at the level of the lower panels. The staircases were discussed following the floor height reduction. Mr Mychajlowycz and his partner also met the UNDP Structural Designer and asked him on the procedure for reviewing the post tension effect on the structural system on the court. Mr Mychajlowycz had a briefing on the site progress and the safety challenges faced by the site team.	10 September 2019
43	A Construction Technical Committee (CTC) meeting (No. 25) was conducted on site and the following topics were discussed during the meeting: <ul style="list-style-type: none"> o Project site safety o Project progress status o Contractor material /equipment submittals status 	11 September 2019
44	A Construction Technical Committee (CTC) meeting (No. 26) was conducted on site and the following topics were discussed during the meeting: <ul style="list-style-type: none"> o Project site safety o Project progress status o Staircases o Stone cladding detail o Contractor material /equipment submittals approvals 	25 September 2019
45	A meeting between GAC Head of Cooperation and UNDP Senior Management took place at UNDP office in Jerusalem where UNDP responses on the GAC report were discussed. UNDP provided GAC with a project estimated cash flow showing that the project third tranche will be required before April 2020.	27 September 2019
46	UNDP project manager met with GAC representative and GAC quantity surveyor to discuss UNDP response on the GAC report regarding the new project budget proposal.	03 October 2019
47	Ministry of Labour visited the project site and conducted a site inspection for safety measures and labour facilities.	03 October 2019

48	UNDP Programme Analyst responded to GAC additional questions on the new project budget proposal.	15 October 2019
49	A CTC meeting took place at the HJC premises in Ramallah. The meeting discussed the following <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Staircases ○ Contractor material /equipment submittals approvals ○ Contractor proposal to use dry walls in some locations in the project. 	16 October 2019
50	UNDP sent the Contractor a final determination letter regarding his claim for the stoppage period between 01 February 2018 and 10 August 2018.	16 October 2019
51	UNDP new Special Representative, Ms Yvonne Helle, visited the site and had a meeting with the contractor to discuss project progress and the current delay.	24 October 2019
52	A Construction Technical Committee (CTC) meeting was held at site, were the following topics were discussed: <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Contractor material /equipment submittals approvals ○ Project Fountain at the project entrance 	06 November 2019
53	UNDP received a letter from the Civil Defence Department approving the staircases design enhancements and amendments.	07 November 2019
54	A meeting between UNDP Senior Management and GAC Management took place at UNDP office in Jerusalem. The project amended budget was discussed. During this meeting: <ul style="list-style-type: none"> ○ GAC requested UNDP to provide them with a cost to completion figure for the construction contract. ○ GAC requested a modified project construction schedule with work methodology to be submitted by the contractor. A revision for the submitted budget to be reviewed by UNDP. 	08 November 2019
55	Ministry of Labour inspectors visited the site and conducted an inspection of the Health and Safety situation on site.	11 November 2019
56	Due to unsafe conditions at site, UNDP sent the Contractor a formal communication requesting him to stop works at site till 24 November 2019. The stoppage order requested a major rectification to the site safety situation before works at site can continue.	21 November 2019
57	A Construction Technical Committee (CTC) meeting was held at the HJC offices in Ramallah, were the following topics were discussed: <ul style="list-style-type: none"> ○ Project site safety ○ Project progress status ○ Contractor material /equipment submittals status ○ Project fountain at entrance and wooden doors colours ○ Contractor dry wall proposal (changing some of internal block walls) 	27 November 2019
58	A meeting was held between UNDP procurement department and UNDP Project Manager with the Geotechnical investigation laboratory manager. The meeting was held to confirm the Laboratories' position before deciding on UNDP's next steps.	28 November 2019

59	A contractual letter was sent to the contractor concerning the progress delay at site.	10 December 2019
60	A Construction Technical Committee (CTC) meeting was held at site, where the following topics were discussed: <ul style="list-style-type: none"> ○ Site tour and model review ○ Project site safety ○ Project progress status ○ Contractor material /equipment submittals status ○ Project fountain at main entrance ○ South external stairs ○ Furniture package status 	18 December 2019
61	UNDP signed a service contract with the Palestinian Engineering Association Health & Safety (H&S) inspector. The H&S inspector will have frequent visits to site to produce safety inspection reports and support the site team on the best way to implement H&S at site.	19 December 2020
62	Ministry of labour representative visited the location and inspected the site safety situation.	29 December 2019
63	UNDP shared with GAC an updated budget proposal after completing the cost to completion calculations.	30 December 2019

Project Staff

During the reporting period, the following project staff joined the project:

- ✓ The Mechanical Engineer (Mr Hussein Awad) joined the PIU on 16 January 2019.
- ✓ Project Electrical Engineer (Mr Diaa Qasqas) joined the PIU on 23 April 2019.
- ✓ Architect Drafting Engineer: Drafting Engineer (Ms Bisan Abu Alhalwa) joined the PIU on 21 July 2019.
- ✓ Project Finishing Engineer: The Finishing Engineer (Mr Ziad Rimawi) joined the PIU on 02 September 2019.

The current project organigram is shown below:

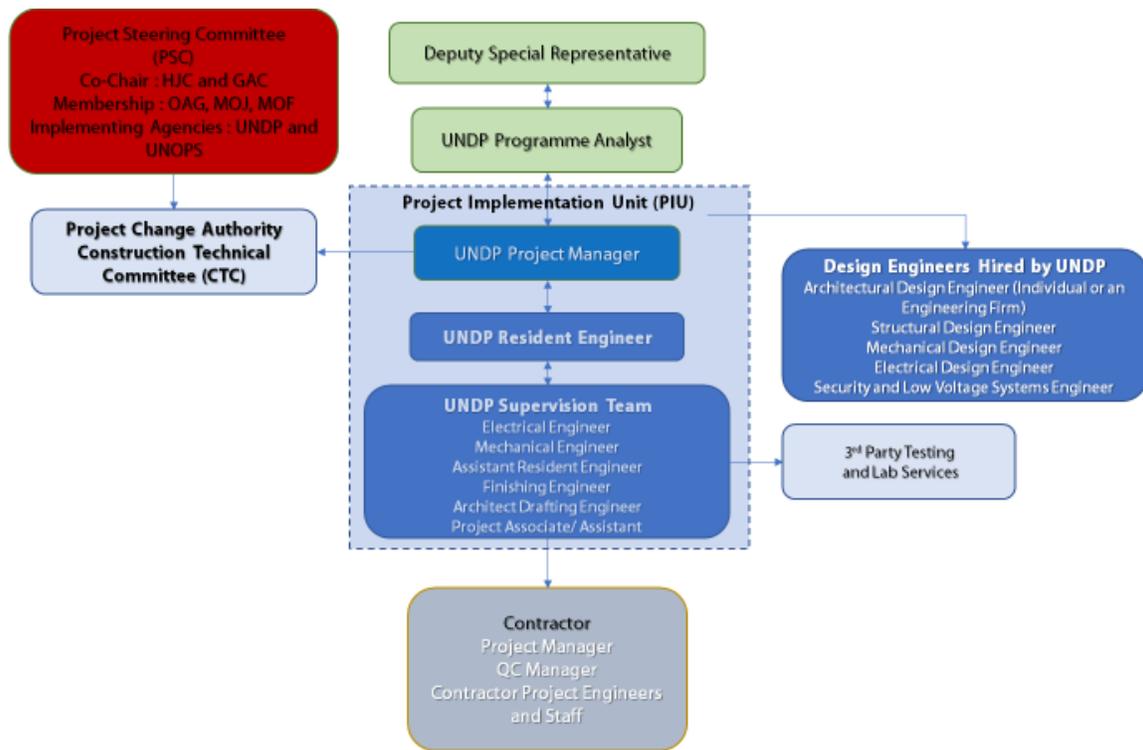


Figure 1: Project organigram

Design and Procurement

Design

- During the last quarter of 2018, and during the first month of 2019, the project designer (AAU) performed a structural review of the whole project. As a result, a new updated structural and architectural drawing was received on 30 January 2019.
- The updated structural drawing contained a lot of changes including adding new columns, increasing some walls and slabs thickness and adding a new detail for wall reinforcement.
- The updated architectural drawings as a result of this review were only received on 10 April 2019. During 2019, UNDP and the Contractor agreed on two major value engineering ideas which needed some changes in the design. Those value engineering ideas were a slab system change from traditional slab on drop beams into post tension slabs, and the floor height reduction because of the slab system change which resulted in a redundant height above false ceiling.
- The Structural Design Engineer reviewed all block structural designs after changing the slabs system into post tension.
- The project Architectural drawings were reviewed to reflect changes in the slab system and the floor height reduction.
- Once all Structural and Architectural drawings are revised, UNDP will again send those drawings to the Engineering Association and Hebron Municipality for their records.
- Due to floor height reduction, the staircase drawings have been reviewed according to both the Jordanian and International Building Code and Civil Defence requirements after the floor height reduction.
- The Civil Defence gave their approval on the new staircase heights and design.

Procurement

During 2019, the following procurement activities were implemented:

- On 25 May 2019, a contract termination letter was issued to the project designer (AAU).
- On 03 June 2019, UNDP signed a contract with the project Structural Designer to continue providing the project with the structural design consultation required after the termination of the main designer contract.
- On 03 June 2019, UNDP signed a contract for the value of US\$3,000 with a specialized 3D technician to produce the project 3D architectural model.
- On 24 June 2019, UNDP issued a Request for Quotation (RFQ) for Architectural Engineering Consultancy services for the project to replace the services provided previously by AAU.
- On 26 June 2019, UNDP signed a contract with the project Mechanical Designer to provide the project team with the necessary mechanical design consultation.
- On 07 August 2019, UNDP and Community Development Group (CDG) signed a contract to provide Architectural Consultation for the UNDP site team.
- On 17 December 2019, UNDP signed a direct service contract with Arch. Anton Stephan (the main architect assigned by the CDG to provide the Architectural consultation to the project) to continue providing the Architectural consultancy.
- UNDP signed this contract directly with Arch. Anton after CDG "Community Development Group" requested to terminate their contract because they were restructuring their office.
- On 18 December 2019, the project 3D Model was received at the project site.
- On 19 December 2019, UNDP signed a service contract with the Palestinian Engineering Association Health and Safety H&S inspector. The H&S inspector will visit the site frequently to produce safety inspection reports and support the site team on the best way to implement H&S at site.

Furniture Fixtures and Equipment (FF&E)

- In December 2019 UNDP project manager submitted to UNDP procurement department the following Furniture, Fixtures and Equipment's (FF&E) packages in order to inform the procurement department that during 2020 UNDP must prepare for procurement activities for the following packages:

Package no.	Items included	Design status	Date for specs to be ready	Contract sign date	Delivery date*
1	Custom made furniture <ul style="list-style-type: none"> • Wooden fixed chairs • Benches • Wooden benches for the court rooms • Reception desk • Control room desk 	Initial design available	01 June 2020	01 Aug. 2020	01 Dec. 2020
2	Readymade furniture <ul style="list-style-type: none"> • Chairs • Desks • Tables • Sofas • Coffee tables 	Not ready yet, and need to be agreed with beneficiary	01 June 2020	01 Aug. 2020	01 Dec. 2020

	<ul style="list-style-type: none"> • Drawers • Cabinets • Workstations • Cupboards (wooden + glass) • White board • Wooden boards • Refrigerators • Carpets • Curtains • First aid boxes 				
3	<p>Metal furniture</p> <ul style="list-style-type: none"> • Metal shelves • Metal beds • Steel cupboards • Trash cans • Main trash containers • Coat hangers • Doors stoppers • Plastic garbage bin • Safes • Cleaning items • Metal cabinets 	Not ready yet, and need to be agreed with beneficiary	01 June 2020	01 Aug. 2020	01 Dec. 2020
4	<ul style="list-style-type: none"> • Readymade movable archive cabinets • Readymade partitions • Wooden rails <p><i>Some items of this package are within the construction contract as well</i></p>	Initial design available	01 June 2020	01 Aug. 2020	01 Dec. 2020
5	<ul style="list-style-type: none"> • Kitchen equipment • Drinking water fountains 	Not ready yet	01 June 2020	01 Aug. 2020	01 Dec. 2020
6	Signage (internal and external)	Not ready yet	01 June 2020	01 Aug. 2020	01 Dec. 2020
7	<ul style="list-style-type: none"> • Computers and monitors • Servers • IP telephones • PABX • Queuing system • TVs • Radios • Video conference • Security scanners and security equipment (this may need a stand-alone package) 	Not ready yet	01 June 2020	01 Aug. 2020	01 Dec. 2020
8	Photo Voltic solar panels (design and installation)	Not ready yet	01 June 2020	01 Aug. 2020	01 Jan. 2021

* Delivery to be completed by this date

- The initial plan for FF&E is to have the packages specifications and tendering documents ready by end of May 2020.
- Tendering will be done during June and July 2020.
- Delivery and installation for all packages should be done from Mid-November 2020 to end of December 2020.

Construction

By the end of December 2019, satisfactory progress in construction activities was achieved on site despite the current delay in the project. The table below shows a summary for the progress at site per block:

<p>Block 1 (Project Critical Path)</p> <ul style="list-style-type: none"> • Skeleton works reached the floor slab of the fourth floor • Finishing works ongoing on the Basement -2, -1 and Ground floor levels. 	<p>Block 2</p> <ul style="list-style-type: none"> • Skeleton works reached the floor slab of the second floor • Finishing works ongoing on the Basement -2, -1 and Ground floor levels.
<p>Block 3</p> <ul style="list-style-type: none"> • Skeleton works reached the floor slab of the first floor • Skeleton works almost completed. 	<p>Block 4</p> <ul style="list-style-type: none"> • Skeleton works is completed. Only remaining concrete works is the parapet works.

It should be noted that the contractor is delayed by almost **four months** as of end of December 2019. The main cause of delay was the shortage of the required manpower at site. Nevertheless, as of end of December 2019, the project is almost 45.1% completed as per the approved schedule.

It should be noted that as per the project approved schedule presented during the Construction Technical Committee Meeting No. 30, the four months delay has shifted the final completion date for the project to **10 March 2021 instead of 22 November 2020**.

UNDP sent the contractor several official notices on the current delay urging him to increase the manpower at site in order to recover the delay.

UNDP Programme Analyst met with the contractor in November 2019. At the meeting, there was a discussion pertaining to the project delay and available options to recover this delay. The contractor proposed to start a night shift at site starting April 2020 once the weather conditions allow.

Value Engineering to Reduce Cost and Delay

During 2019, UNDP studied several Value Engineering ideas submitted by the contractor in order to reduce the initial construction costs and to speed up the construction process. All value engineering ideas have been thoroughly studied, those found suitable to the project, and was presented to the Construction Technical Committee for review and approval.

The following value engineering ideas have been approved by the Construction Technical Committee and implemented in the project:

- As per the HJC request, the firefighting diesel pump was changed to an electrical fire fighting pump in order to reduce initial and operational costs. This was approved by the Construction Technical Committee after taking the Civil Defence approval considering the availability of three backup generators in the court to ensure that there will always be enough power to operate the electrical pump.
- Changing the slab system from traditional reinforced slab system into post tension slab.
- Reducing the floor heights after the basement -1 floor level by 64 cm.
Reducing stone backing concrete thickness from 15 cm to 10 cm.
- UNDP discussed with HJC and in the Construction Technical Committee a small change to the retaining wall at the south side of the project. The change aims to minimize the distribution for the upper main road while constructing the retaining walls. The original design for the retaining walls going toward the south was a reinforced concrete wall with a wide foundation penetrating under the upper road and the services there. The proposed change will use stone boulders to support the road. The stone boulders will be clad with stone to give the same finish. The stone boulders need less excavation width, thus there would be no need to excavate under the road and there will be no need to disturb the upper roads current underground services (water, sewage, telecommunications, electricity).

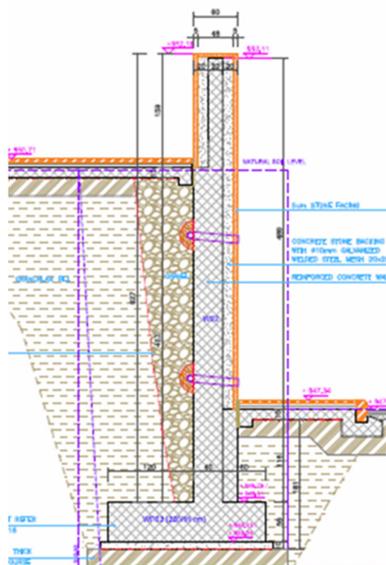


Figure 2: Retaining wall near stair No.10 original design

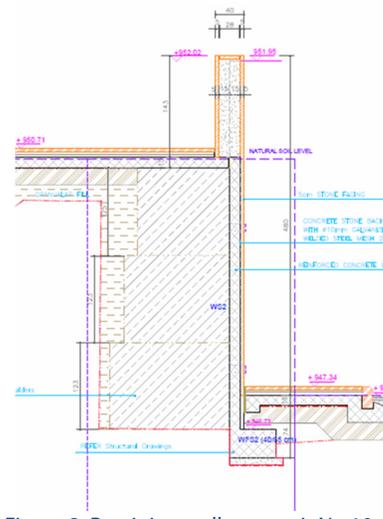


Figure 3: Retaining wall near stair No.10 new design

Project Construction Technical Committee

The Project Construction Technical Committee (CTC) conducted a total of nineteen (19) meetings during the 2019.

The CTC is headed by HJC (Eng. Samer Hamadan) who is the technical change authority in the project. It has proven to be a very efficient and effective tool to keep all project stakeholders involved and aware on the project developments, and a part of the decision-making process in the project.

The CTC SoPs were approved during the seventh Project Steering Committee (PSC) meeting and its authorization as the technical change authority in the project was renewed in the eighth PSC meeting on 27 November 2018.

The Construction Technical Committee and as the technical change authority in the project have reviewed, studied and approved all the value engineering ideas implemented in the project as explained before.

The CTC meetings discussed also major project issues and monitor the project performance on a bi-weekly basis. The main topics that were discussed through the different CTC meetings during 2019 were:

- Project site safety
- Project progress status
- Contractor material /equipment submittals status
- Value engineering options
- Coordination with the different local authorities and project stakeholders

Project Steering Committee

The Project Steering Committee (PSC), co-chaired by HJC and GAC, represents the highest body within the governance structure for the project. The PSC conducted one meeting during 2019, which was its ninth meeting. The meeting was hosted by Hebron Municipality on 16 July 2019. During this meeting the following decisions were taken:

1. Acknowledge the continuation of current project stage – skeleton works
2. Acknowledge the Project Construction Technical Committee (CTC) approval on changing the slab system to Post- Tension concrete slabs system, and to reduce the floor heights above the basement -2 level
3. Acknowledge the start of next project stage – finishing works

After the meeting, all committee members visited the site to observe the progress achieved.

It should be noted that a Project Steering Committee meeting should be conducted in the first quarter of 2020.

Environmental Compliance

During Project Construction Phase

The following environmental aspects/activities took place during 2019. Those activities were implemented in accordance with UNDP Project Environmental Management Plan (EMP):

- **Updated waste management plan:** In July 2019, the project Environment Engineer prepared a waste management plan for the project. An update for this waste management

plan was done in December based on comments received from GAC. The updated waste management plan is attached to this report.

- **Separation for reinforcement steel and wooden waste:** A location was identified at site where reinforcement steel waste and wooden waste are gathered to be reused. The steel reinforcement waste is given to the local steel scrap collectors and wooden waste is given to the neighbours who use it for their ovens and heating purposes. At the finishing stage, all plastic waste will be collected and sent for recycling.
- **Excavated material reused in back filling:** During the excavation process for the foundation, a large amount of excavated soil was generated. Most of this soil (70-80%) was stock piled within the site (at block 4 location) to reuse in the backfilling process. This has considerably lowered the needed vehicle movement to export the soil and then to import different soil for backfilling.

It should be noted that UNDP site engineers have thoroughly inspected the soil stockpiled and segregated the soil suitable for backfilling only to be reused in the backfilling over the foundation. This was done to maintain the required quality of the backfilling material.

Another good example of reusing excavated material was implemented when the electrical generators and transformers area was excavated. The excavated material was used to back fill the project entrance area.

- **Concrete trucks washing area:** The project identified an area for concrete trucks washing before leaving the site. The washing area is divided into two ground pits: one for washing extra fluid concrete, and the other pit for solid materials. The two pits will be cleaned periodically, and the collected waste will be dumped into Hebron authorized dumping location.
- **Neighbours complaint procedure:** During 2019, a few complaints were received by the project team from the neighbours. The school complained about the dust and noise. The other was neighbours complaining about road closures on one occasion. Those complaints were dealt with immediately to ensure that the project does not have any negative effect on the neighbours during the construction phase.
- **School start and end time:** During school times when students come and leave, vehicles are not permitted to enter or leave the site from its south entrance.

Health and Safety

During 2019, 145,489 manhours were generated at site from a total of 157,989 manhours (not including UNDP or contractor's staff).

Four major incidents happened on site during 2019. On two occasions UNDP was forced to stop works at site for four days (one day at one incident and another three days on a different occasion). The stoppage order requested a major rectification to the site safety situation before works at site can continue.

The incident reports were shared with GAC previously for information.

On 18 September 2019, a meeting between UNDP senior management and the contractor management took place at site. The meeting discussed mainly the safety situation at site, and it was agreed to issue the contractor a safety report on the site situation. The report was issued on 19 September 2019 and was closed by the contractor on 12 October 2019.

Another meeting was conducted between UNDP Programme Analyst and the contractor to discuss exclusively safety issues in November 2019.

During 2019, the UNDP site team conducted more than 10 toolbox talks to the work force on different safety issue or concerns at site. UNDP considers toolbox talks as mitigation measures for safety as well as capacity development for the work force on best safety procedures and practices at site.

It should be noted that UNDP issues the contractor a biweekly safety report to cover all safety and environmental aspects of the site.

Also, during 2019, the Palestinian Ministry of Labour visited the project site four times and conducted a site inspection for safety measures and labour welfare facilities. The inspectors were satisfied with the safety and welfare level at site, and first aid facilities available.

Finally, during December 2019, UNDP signed a contract with the Palestinian Engineering Association Health and Safety (H&S) inspector. The H&S inspector will visit the site frequently to produce safety inspection reports and support the site team on the best way to implement H&S at site.

Challenges

During 2019, the following challenges were faced, with some still forming a major challenge to the project:

- The first main challenge is the current four months delay behind the project schedule which is mainly caused due to the lack of the required manpower at site.
- There is high turnover by the contractor labourer teams, as many of them work in Israel due to the higher pay.
- The third major challenge is the contractor claims for the stoppage period from February to August 2018 which is not solved yet.
- It should be noted that the contractor also submitted another exaggerated claim for the changes in the structural system, mainly for reinforcement changes in the walls and the difficult nature of the work. Those changes were introduced by the project designer through the structural design review he performed.
- The reinforcement complexity in the walls is another major challenge still facing the project and will continue to overburden the site team until the skeleton phase is completed.
- Another major challenge facing the UNDP site team is maintaining the required quality level within the finishing activities since the finishing activities are ongoing at the different levels of the project and in all blocks. This require the site team to spend much more time and effort at site to assure quality in such big project.

In addition to the above, UNDP would like to finalize the issue of the budget revision with the GAC as this would assist us in moving forward on pending issues. While a better arrangement is in place now for follow up with the GAC monitors, the frequent visits at times diverts us from the site teams follow up.

Challenges that were Cleared During 2019

- The delays caused by the design office (AAU) during the first quarter of 2019 represented a major challenge to the project. As explained earlier, the design review implemented by the designer has caused delays and disturbance to site works during the last quarter of 2018 and during January 2019.
- The design review created a challenge of assessing the impact of changes on the project financially, since many structural items were changed because of this review including adding new columns, thickened walls and slabs, and introducing new detail in the wall's reinforcement. Currently the contractor is calculating the new reinforcement quantities in the walls to be compared to the original reinforcement quantities.
- The relation with the designer posed a challenge during the first quarter of 2019. The designer has on many occasions expressed his unwillingness to implement part C of his contract (site supervision) unless his contract is amended, and his fees considerably increased. Accordingly, the site team did not benefit from his services during the reporting period and this has caused a delay and disturbance to site activity.
- Recruiting the required design expertise to replace AAU represented another challenge to the site and management team of UNDP during the second quarter of 2019. This challenge has been addressed as UNDP managed to sign contracts with the structural and mechanical design engineers, and currently is finalizing the Architectural design office contract.
- The VRF system approval represented a considerable challenge during the first quarter of 2019. A positive development took place toward the end of the second quarter as the contractor submitted an alternative brand rather than the one, he was previously insisting on.

Lessons Learned

- A lesson learned from the design review implemented by AAU is that for future projects design service contracts should include a requirement that structural drawings and structural designs of the skeleton to be checked by a qualified third party before final drawings are adopted. This would enable UNDP to get an advice from the third party in case the design could be enhanced, or if savings could be achieved through value engineering solutions.
- A lesson learned for future projects is to include the geotechnical investigation within the designer scope and not to be done as a separate contract in order to ensure the designer's responsibility of the geotechnical investigation report. Also, construction contracts to include the requirement for the contractor to double check the geotechnical investigation results in order to ensure the contractor responsibility for any delay caused by unreported underground conditions.
- A lesson learned for future projects is that construction contracts should include applying financial penalties on Non-Conformance Reports (NCR) for quality and safety at site.
- Similar construction projects to be phased to several milestones, where liquidated damages could be applied on the delay on completing each milestone. This will urge construction contractors to keep a strict follow up for the project schedule.
- The contract requirement should require the contractor to have a qualified Planning Engineer within his staff for such project size as Hebron Courthouse project.
- Design service contract for a project of the size of Hebron Courthouse should have required the Designer to submit a detailed take-off for the Bill of Quantities (BoQ) items, such a take-off could be used to produce an accurate project schedule and to set a certain mile stone for the contractor during the construction phase.
- For the technical committee meeting to be effective, it was agreed that only items set in the agenda will be discussed during the meeting. Participants wishing to discuss issues during the bi-weekly meeting should ask HJC or UNDP to add items to the meeting agenda in advance.

Way Forward

- The top priority for all stakeholders, and specially the site team, is to keep the project progressing smoothly and to do the best to recover the four months delay the project is facing. UNDP will keep pressuring the contractor in this regard.
- To achieve this, it was agreed with the contractor to start a night shift from April 2020 once the weather allows. While the night shift will be a big challenge for UNDP site team, it is a vital requirement to reduce the current delay in the project.
- UNDP site team will start during the first quarter of 2020 to prepare the specifications and tender documents for the eight required furniture's and equipment's (FF&E) packages. A big challenge will be obtaining the HJC approval on those packages in a timely manner in order to be able to procure and deliver those packages before the end of 2020.
- Another top priority would be to implement a value engineering exercise to explore additional ideas to recover some of the delays that occurred during 2018 and reduce some of the deficit without compromising any of the project outputs either for quality or functionality.
- During the first quarter of 2020, UNDP and GAC need to agree on the revised project budget that was submitted to GAC on 31 May 2019 and updated on 30 December 2019.

General Project Risks During the Reported Period

Note: refer to the project amended Risk Register

No	Risk Descriptor (from risk register)	Risk status (H/M/L)	Risk Owner	Explanation including actions (required only for M and H risks)
1	Accidents during construction	High	Contractor/ UNDP	<ul style="list-style-type: none"> • UNDP site team conduct weekly Health and Safety (H&S) inspection. • Contractor to refrain from any possible unsafe acts or works immediately. • Implement strictly UNDP H&S project plan. • Contractor to provide H&S officer at site. • Contractor project assurances to be available prior to any works at site. • <i>New:</i> UNDP to hire an independent H&S inspector to assess the H&S situation at site and support in implementing stricter H&S procedures at site.
2	Delays in following the project critical path (Block 1 to be prioritized)	High	Contractor/ UNDP	<ul style="list-style-type: none"> • Weekly progress meeting between UNDP and the contractor at site. • Monthly review of contractor construction schedule. • Two-week ahead schedule. • Allow for float in uncritical activities to compensate in case of delay.

				<ul style="list-style-type: none"> • <i>New:</i> it was agreed to start a night shift in April 2020 to recover part of the current delays.
2	Managing project within existing budget	High	UNDP/GAC	<ul style="list-style-type: none"> • Ensure agreement in place. • Budget enough and tracked monthly. • Have interest and contingency amount for unforeseen conditions and emergencies (to be used only with GAC's express prior approval). • Regular stakeholder updates, monthly reporting, and regular communication.
5	Suppliers delays (i.e. Post tension subcontractor)	Medium	Contractor	<ul style="list-style-type: none"> • Choose local suppliers. • UNDP to monitor closely. • UNDP to notify contractor of delays.
6	Discrepancy in drawings or BoQ, leading to additional financial obligations	High	UNDP	<ul style="list-style-type: none"> • Contractor obligated to review drawings for discrepancy. • Designers Consultants team to be frequently consulted. • Prepare contingency plans. • Involve CTC in decision making for major discrepancies.
7	Design changes during construction phase	High	Project Technical Committee	<ul style="list-style-type: none"> • Any change to be approved by CTC. • Follow CTC SoPs to identify what will trigger a design change. • Revise and accelerate the project schedule. • In case changes agreed from all stakeholders, contingency plans will be adopted, (no access to contingency fund will be allowed to cover this risk response without prior approval from GAC).
8	Neighbours complains from construction activities	Medium	Contractor / UNDP	<ul style="list-style-type: none"> • A complaint procedure was shared with the school principal and other neighbours with contact numbers to notify UNDP/contractor site team of any disturbance by construction activities.
9	Political factors\ conflicts, closures imposed on Hebron	High	All stakeholders	<ul style="list-style-type: none"> • If these risks happen, all works will be delayed or result in a complete stoppage. • Contingency plans will be in place and a recovery schedule will be developed.

Risks During the Coming Reporting Period

No	Risk Descriptor (from risk register)	Risk status (H/M/L)	Risk Owner	Explanation including actions (required only for M and H risks)
1	Contractor failure to maintain required quality	High	UNDP	<ul style="list-style-type: none"> UNDP site team conducts close monitoring and quality assurance. Use non-conformance procedure and reporting. Officially request the contractor to dismantle and redo any defective work.
2	Delays in following the project critical path causing delays to project hand over date	High	UNDP	<ul style="list-style-type: none"> Weekly progress meeting between UNDP and the contractor at site. Monthly review of contractor construction schedule. Two-week ahead schedule. Allow for float in uncritical activities to compensate in case of delay. <i>New:</i> it was agreed to start a night shift beginning April 2020 to recover part of the current delays <i>New:</i> keep HJC informed of possible delays to allow for current premises rent extension.
3	Accidents during construction	High	Contractor/ UNDP	<ul style="list-style-type: none"> UNDP site team conduct weekly Health and Safety (H&S) inspection. Contractor to refrain from any possible unsafe acts or works immediately. Implement strictly UNDP H&S project plan. Contractor to provide H&S officer at site. Contractor project assurances to be available prior to any works at site. <i>New:</i> UNDP to hire an independent H&S inspector to assess the situation at site and support in implementing stricter H&S procedures on site.
4	Managing project within existing budget	High	Project Steering Committee	<ul style="list-style-type: none"> Ensure agreement in place. Budget enough and tracked monthly. Have contingency amount for unforeseen conditions and emergencies. Regular stakeholder updates, monthly reporting, and regular communication.
5	Failure to co-ordinate direct procurement of FF & E contracts on time	Medium	UNDP	<ul style="list-style-type: none"> Ensure that the FF&E is finalized with HJC with no further modifications and push the for the full involvement of the HJC facilities management team from day one. Monitor schedule frequently and coordinate with the Procurement department and involved stakeholders.

				<ul style="list-style-type: none"> • Inform senior management, reschedule, avoid more delays. • Allow for float in FF&E procurement activity.
6	Significant changes in HJC requirements for FF&E or delays in approving the FF&E specs	Medium	UNDP	<ul style="list-style-type: none"> • Ensure that the FF&E is finalized with HJC with no further modifications and push the for the full involvement of the HJC facilities management team from day one. • Approval to be official with stamps and signatures on drawings and tender documents before tendering FF&E. • Try to have samples approved as well before tendering. • Allow for float in FF&E procurement activity.
7	Political factors/ conflicts, closures imposed on Hebron	High	All stakeholders	<ul style="list-style-type: none"> • If these risks happen, all works will be delayed or result in a complete stoppage. • Contingency plans will be in place and a recovery schedule will be developed.
8	Suppliers delays	Medium	Contractor	<ul style="list-style-type: none"> • Choose local suppliers. • UNDP to monitor closely. • UNDP to notify contractor of delays.

Proposed New Budget Submitted to GAC

On 31 May 2019, UNDP submitted a project status overview with a new budget proposal to cover the project deficit. The budget was revised on 27 December 2019 following a cost to completion exercise done by UNDP site team. The new proposed budget is summarized below:

No.	Budget Item	Allocated Budget as Per Second Amendment (US\$)	New Proposed Budget (US\$)	Difference (New Needed Allocations) (US\$)
1	Project Personnel			
1.1	Project Implementation Unit (PIU) / Salaries	2,044,396.31	2,441,573.93	397,177.62
1.2	Quality Assurance Team (Q&A)	571,629.20	685,851.96	114,222.76
1.3	Implementation Support Services (ISS)	596,974.52	596,974.52	0
	HR Totals (including ISS)	3,213,000.03	3,724,400.41	511,400.38
2	Direct Reimbursable Expenses			
2.1	Direct Project Costs (DPC)	657,000.00	731,885.42	74,885.42
2.2	Auditing, Monitoring and Evaluation	100,000.00	100,000.00	0
2.3	Design Works	800,000.00	821,582.16	21,582.16
2.4	Total Construction Cost	16,162,645.53	17,031,947.06	869,301.53
2.5	FF & E	1,750,000.00	1,750,000.00	0
3	GMS (7% on initial approval & 8% on incremental amount) *	1,745,823.17	1,863,996.73¹	118,173.56
4	Project Contingencies			
4.1	Construction Contingency	1,868,764.55	273,421.50	-1,595,343.05
4.2	Currency Risk Contingency	1,527,521.63	1,527,521.63	0
	Total Direct Reimbursable Expenses	24,611,754.88	24,100,354.50	511,400.38
	Total Project Costs	27,824,754.91	27,824,754.91	0

Resources and Financial Status

The up to date financial status of the project is attached to this report in Annex C (Financial Rundown). By the end of December 2019, the project has accumulated a total expenditure of US\$2,232,840.17 and a total cumulative expenditure of US\$12,115,931.01. This represents nearly 43.54% of the project total allocated budget.

Report Attachment/s

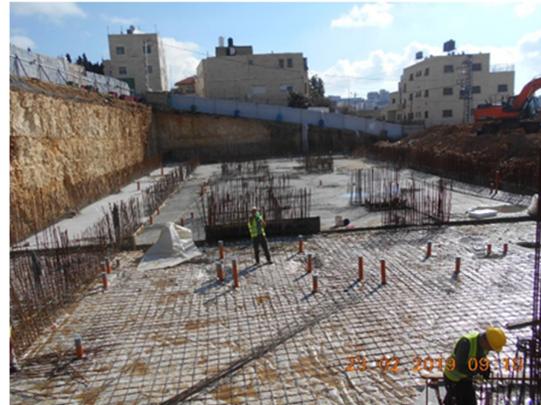
- Updated project waste management plan.
- Cost to completion exercise figures explanatory notes.

¹ As per Amendment #2 UNDP is entitled to an amount for the administration and management of the Project on a present of 8% (please refer to page 26 of Amendment #2) the GMS line is calculated on the actual disbursements only (contingencies are not included in the total figure of GMS), thus the increase in the budget lines will require an increase in the GMS value.

Project Photos During 2019



Foundations works, January 2019



Slab on grade cast, February 2019



Tower crane operating at site, March 2019



GAC Head of Mission visit to the site, April 2019



Post tension slab works in Basement -1 Block 1,
May 2019



Block work on going at Block 1 Part B, in
Basement -2, June 2019



Project Steering Committee meeting, July 2019



Casting water well roof slab in block III, August 2019



UNDP site team give a toolbox talk on safety issues for the workforce, September 2019



Ground floor skeleton works completed, October 2019



Back filling works ongoing at north and east side of the project, November 2019



Skeleton works reached Third floor, December 2019

Explanatory Notes to the Financial Rundown (Annex C)

As a member of the UNDP Executive Board, the Government of Canada has agreed to charge project related costs to the project.

Among these costs, there is Direct Project Costs (DPC)

1. Direct project costs (DPC) are organizational costs incurred in the implementation of a development activity or service that can be directly traced and attributed to that development activity (projects and programmes) or service. Therefore, these costs are included in the project budget and charged directly to the project budget for the development activity and/or service.
2. The primary objective of DPC is to reflect in the appropriate project budget the true direct costs of achieving the development results and objectives. DPC together with General Management Services (GMS), which covers the organisations' costs in support of its corporate structure, enables full implementation costs to be reflected and fully costed to the projects by UNDP for the implementation of its development activities and services.
3. With respect to development activities, DPC is used to budget for and recover the costs of the following activities:

Programme Activities:

- Dedicated support embedded in development programmes and projects;
- Implementation and implementation support activities; and

Development Effectiveness Activities:

- Strategic Country Programming;
 - Formulation/management of project pipelines/new business development;
 - Programme policy advisory services.
- Programme implementation and implementation support activities - these are costs incurred by UNDP to support project implementation by operations units, including services related to finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services and information and communications technology. These were previously defined in UNDP as Implementation Support Services (ISS).
- Development Effectiveness – these are activities and costs that support programme quality, coherence and alignment and relate to results in country and at regional levels. These are activities of a policy-advisory, technical and implementation nature essential to deliver development results. In UNDP country office, these are the costs associated with programme units and programme support units. Development effectiveness costs applies to all regular (core) and other (non-core) programmes and projects.

4. DPC in development projects under the Direct Implementation Modality (DIM)

- As an implementing partner, UNDP is responsible for any services provided under such agreements and is entitled to the reimbursement of full costs for these service provisions.
- DPC for development effectiveness, programme and implementation support services are negotiated during the project formulation phase and included in the project budget.

5. Notes to the financial report included in this report.

Quality assurance costs were not charged to the project until the year 2014, although the project was launched in March 2011.

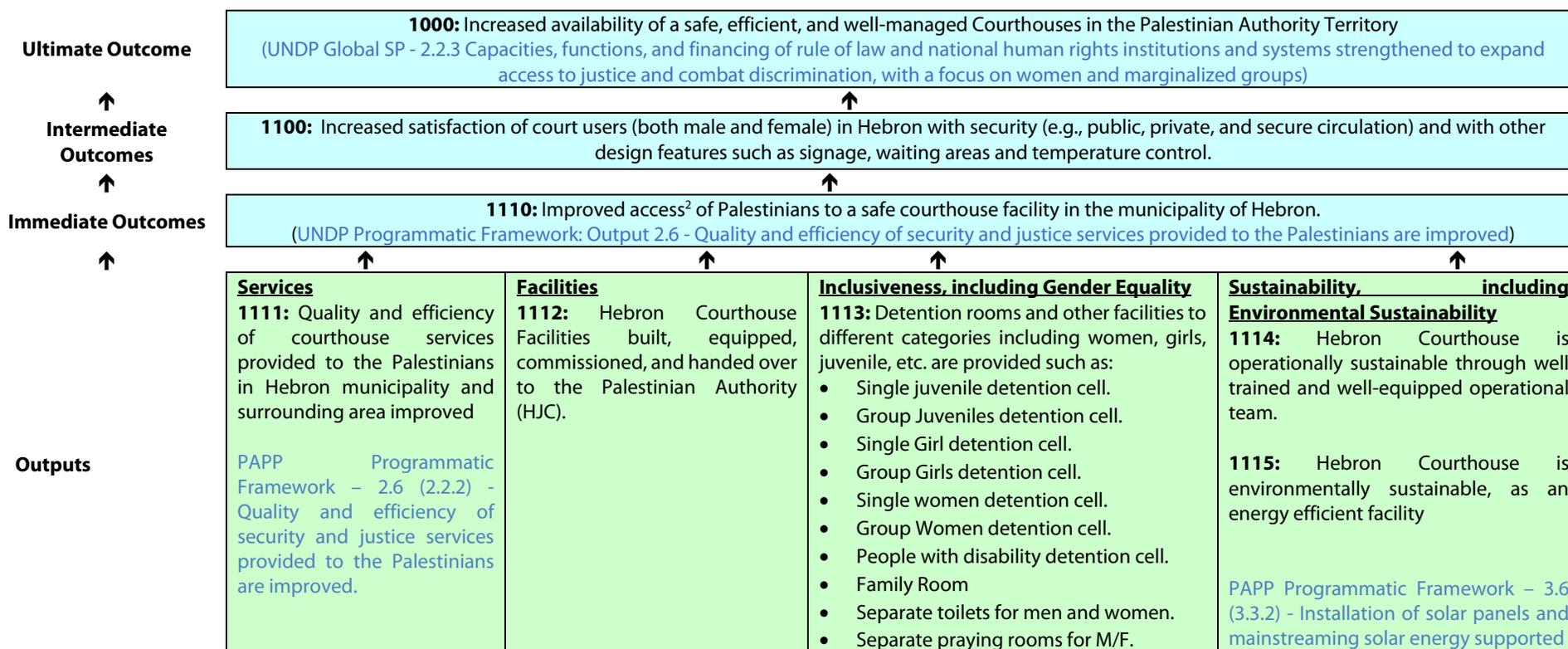
Under the initial project structure, the project manager was a locally recruited officer, where later the Government of Canada requested the project manager to be an international and secured additional funding for launching the recruitment.

The services of the quality assurance team were required throughout the project from the first Canadian mission visiting the country early summer 2011 to review the financial allocations for the initial project. Under the original project, UNDP was tasked with building the Ramallah court complex (Judicial Palace), where the scope was later changed to constructing the Hebron courthouse (tasked to PEC DAR to implement under the original agreement).

Quality assurance teams were also supporting the project manager and programme analyst by assisting at meetings, consultations, reviews, analysis and advice related to the different designers/consultants and project stakeholders working on issues related to land deeds (for the construction site), land parcel packaging, design concept notes (for both Ramallah and Hebron courthouse), accommodation schedules, etc., let alone during procuring the needed services.

Annex A: Project Logic Model

Title	Construction and Equipping of the Hebron Courthouse Facilities	No.	UNDP: PAL 10 – 00077024, GAC: P-000469	Project Managers	UNDP: Jiries Awad; GAC: Lydia Simpson
Country/Region	West Bank and Gaza	Budget	CAD \$32,793,367	Administrative Arrangement Expiry	31 July 2022



² Access includes access for women, men, girls, boys and people with special needs (abilities).

EXPECTED RESULTS ³	INDICATORS ⁴	BASELINE DATA	TARGETS ⁵	DATA SOURCES	DATA COLLECTION METHODS	FREQUENCY	RESPONSIBILITY
INTERMEDIATE OUTCOMES							
1100: Increased satisfaction of court users (both male and female) in Hebron with security (e.g., public, private, and secure circulation) and with other design features such as signage, waiting areas and temperature control.	Level of satisfaction of court users (f/m) with the new courthouse facility in Hebron (including with security and other design features such as signage, waiting areas and temperature control)	TBD at initial survey	TBD following initial survey	Court user's satisfaction measured through a survey	Survey	Baseline and final	UNDP M&E Specialist
IMMEDIATE OUTCOMES							
1110: Improved access ⁷ of Palestinians to a safe courthouse facility in the municipality of Hebron.	-Number of cases dealt with in Hebron Courthouse increased because of improved access to a safe courthouse facility in the municipality of Hebron	20,215 cases ⁸	10% increase	HJC AI - Mizan software	To be taken from HJC annual reports	Baseline and Final	UNDP/HJC
	-More reliable and less time-consuming service provided to all court visitors because of the availability of: sophisticated queuing system, more service counters in the different court departments, available signage, Audi-video system, waiting areas and temperature control.	TBD at initial survey	TBD following initial survey	Court user's satisfaction measured through a survey	Survey	Baseline and Final	UNDP M&E Specialist

⁷ Access includes access for women, men, girls, boys and people with special needs (abilities).

⁸ (Source: High Judicial Council data extracted from (AI - Mizan) data base for the year 2017 and will be updated at end of 2019).

EXPECTED RESULTS ³	INDICATORS ⁴	BASELINE DATA	TARGETS ⁵	DATA SOURCES	DATA COLLECTION METHODS	FREQUENCY	RESPONSIBILITY
(UNDP Programmatic Framework: Output 2.6 - Quality and efficiency of security and justice services provided to the Palestinians are improved)	Same indicators for the project immediate outcomes as above						
OUTPUTS							
Services 1111: Quality and efficiency of courthouse services provided to the Palestinians in Hebron municipality are improved. PAPP Programmatic Framework – 2.6 (2.2.2) - Quality and efficiency of security and justice services provided to the Palestinians are improved.	Separate and secure circulation solution for public, accused, and judges is provided through safe access	Not available in the current court's facility	To be available in the new court's facility	Facilities floor plans and circulation/evacuation plans	Donor local monitor reports for the facilities design	Once	UNDP/GAC Local Monitor
	Number of service counters and windows are increased to provide more efficient and quicker service	to be counted in the old facility	20% increase	Public facilities floor plans	Donor local monitor reports for the facilities design	Once	UNDP/GAC Local Monitor
	Access for people with disabilities to all court facilities provided through ramps and elevators.	Not available in the current court's facility	To be available in the new court's facility	Facilities floor plans and evacuation plans	Donor local monitor reports for the facilities design	Once	UNDP/GAC Local Monitor
	Number of security and justice related community services provided with the support of the project	0	1	Project Substantial Hand Over Certificate stating that the project is fully operational	Project Final Report	Once	UNDP

EXPECTED RESULTS ³	INDICATORS ⁴	BASELINE DATA	TARGETS ⁵	DATA SOURCES	DATA COLLECTION METHODS	FREQUENCY	RESPONSIBILITY
	(2.2.3.3) Country has strengthened capacities for governance and oversight of rule of law institutions	Not measured yet	TBD	UNDAF Annual Reports	UNDAF Annual Reports	Baseline and final	UNDP
Facilities 1112: Hebron Courthouse Facilities built, equipped, commissioned, and handed over to the Palestinian Authority (HJC).	Courthouse equipment's purchased, installed, commissioned, and handed over to the courthouse operational team (HJC).	0	As per Project equipment's and FF&E lists	Project Progress Reports	Project Progress Reports	Once (During substantial hand over)	UNDP
	Handover and commissioning processes is completed as per the commissioning plan.	0	As per Project commissioning plan	Project Progress Reports	Project Progress Reports	Once (During substantial hand over)	UNDP
Inclusiveness, including Gender Equality 1113: Detention rooms and other facilities to different categories including women, girls, juvenile, etc. are provided such as. - Single juvenile detention cell. - Group Juveniles detention cell. - Single Girl detention cell. - Group Girls detention cell. - Single women detention cell. - Group Women detention cell. - People with disability detention cell. -Family Room - Separate toilets for men and women. - Separate praying rooms for men and women.	Number of detention cells provided disaggregated by group.	0	One for each group at least	Basement -2 floor plan	Donor local monitor reports for the facilities design	Once	UNDP/GAC Local Monitor
	Number of other facilities provided for females within the court facilities.	0	TBD	Facilities floor plans	Donor local monitor reports for the facilities design	Once	UNDP/GAC Local Monitor

EXPECTED RESULTS ³	INDICATORS ⁴	BASELINE DATA	TARGETS ⁵	DATA SOURCES	DATA COLLECTION METHODS	FREQUENCY	RESPONSIBILITY
Sustainability, including Environmental Sustainability 1114: Hebron Courthouse is operationally sustainable through well trained and well-equipped operational team.	Operational and Maintenance manual for the operation of the courthouse facility management systems (e.g., heating, security systems, firefighting, water pumping ventilation and air conditioning, etc.) is finalized and handed over to HJC operational team	0	One comprehensive manual	Substantial hand over notes	Project Progress Reports	Once (During substantial hand over)	UNDP Project Manager
	HJC operational team provided with the necessary training on the newly installed systems which enable them to do their job efficiently and effectively.	0	-16 days of training -Number of individuals trained	Training logs	Project Progress Reports	Once (During substantial hand over)	UNDP Project Manager
1115: Hebron Courthouse is environmentally sustainable, as an energy efficient facility	-Number of energy efficient systems installed by type (e.g. photovoltaic solar system at roof top, smart control of lights and A/C, and better insulation system integrated during construction in walls, roof and windows).	0	-All external walls, roofs, and windows thermally insulated -BMS, KNX system Installed -Central control of AC -PV on Roof	Project Substantial Hand Over Certificate stating that the project systems are operational	Project Progress Reports	Once (During substantial hand over)	UNDP Project Manager

EXPECTED RESULTS ³	INDICATORS ⁴	BASELINE DATA	TARGETS ⁵	DATA SOURCES	DATA COLLECTION METHODS	FREQUENCY	RESPONSIBILITY
PAPP Programmatic Framework – 3.6 (3.3.2) - Installation of solar Photovoltaic (PV) panels and mainstreaming solar energy supported	-Percentage of reduced energy consumption of the new facility compared to the previous one	Not measured yet	15% decrease compared to the old facility consumption	HJC electricity bills	HJC operational team reports	One year before handing over and six months after new facilities are fully operational	UNDP Project Manager
	Total amount of renewable energy produced (KW) by of Solar Photovoltaic (PV) Energy	TBD	To be set during PV design stage	Project Progress Reports	Donor local monitor re-ports for the PV design and installation	To be measured after one month of the installation of the PV	UNDP/GAC Local Monitor
	(1.5.1.1) Number of facilities benefitting from clean, affordable and sustainable energy system installed.	0	One facility (Hebron courthouse)	Project Progress Reports	Donor local monitor re-ports for the facilities de-sign	Once	UNDP/GAC Local Monitor

Annex C - Project Financial Rundown Overview

Financial Status as of End of December 2019

Budget Categories as per the AA	ATLAS Activity	Total Allocation as per Amendment #2	First and Second Tranches	Disbursements				2019 Resource Balance as of 31 Dec. 2019
				2011 - 2017	2018	01 January up to 31 Dec. 2019	As end of Dec. 2019	
Project Implementation Unit (PIU)	Activity1	\$2,044,396.31	\$18,377,646.85	\$920,727.28	\$312,430.78	\$403,167.56	\$1,636,325.62	\$408,070.69
Quality Assurance Team (Q&A)	1	\$571,629.20		\$427,330.63	\$113,658.08	\$7,249.08	\$548,237.79	\$23,391.41
Direct Costs (DC)*	6	\$657,000.00		\$430,679.45	\$32,274.30	\$15,894.41	\$478,848.16	\$178,151.84
Fixtures, Furniture and Equipment's (FF&E)	4	\$1,750,000.00		\$ -	\$ -	\$ -	\$ -	\$1,750,000.00
Auditing, Monitoring and Evaluation (AME)	5	\$100,000.00		\$ -	\$9,990.00	\$2,457.00	\$12,447.00	\$87,553.00
Design Works (DW)	8	\$800,000.00		\$502,182.16	\$143,480.00	\$32,256.05	\$677,918.21	\$122,081.79
Construction (CON)	3	\$16,162,645.53		\$4,724,810.06	\$1,307,694.95	\$1,456,764.19	\$7,489,269.20	\$8,673,376.33
Implementation Support Services – (ISS)	7	\$596,974.52		\$118,721.51	\$187,876.34	\$172,611.40	\$479,209.25	\$117,765.27
General Management Services – (GMS) 7%		\$1,745,823.17		\$502,081.08	\$149,154.35	\$142,436.12	\$793,671.55	\$952,151.62
Contingencies		\$1,868,764.55		\$ -	\$ -	\$ -	\$ -	\$1,868,764.55
Currency Risk Contingency		\$1,527,521.63		\$ -	\$ -	\$ -	\$ -	\$1,527,521.63
Realized Gain ⁹				(\$16.46)	(\$71.70)	(\$0.87)	(\$89.03)	\$89.03
Realized Loss				\$76.60	\$11.43	\$5.23	\$93.26	(\$93.26)
Sub total		\$27,824,754.91		\$7,626,592.31	\$2,256,498.53	\$2,232,840.17	\$12,115,931.01	\$15,708,823.90
Allocations in Canadian Dollar CAD 32,793,367 Allocations in U.S Dollar \$ 27,824,754.91			Exchange Rate				1 USD = 1.05 CAD	

*Note: Including project assets depreciation net costs on the blank activity, as per Atlas account activity analysis report (AAA), as follow:

Year	2011	2012	2013	2014	2015	2016	2017	2018	January 2019 – Dec. 2019	Total
Assets Depreciation Cost (USD\$)	\$ -	\$213.28	\$145.45	931.62	\$370.55	\$423.20	\$473.62	\$1,384.56	\$1,460.61	\$5,402.89

⁹ The realized gain and realized loss are related to account payable vouchers, which have “realized exchange rate difference”. Therefore, there are **no GMS** charges on these two accounts. To be more precise: The realized exchange rate difference is recorded to the realized loss account 76125 or to the realized gain account 76135. It is very important to clarify that it is **not** incorrect to have realized gain and loss. In addition, UNDP doesn't need to correct these charges. They are integral part of project expenses recorded in a different account and associated to original vouchers.

Interest Amounts Accumulated Up to End of 2018

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	Grand Total
Interest accumulated amount (US\$)	106,484.43	128,075.35	101,165.13	69,163.74	70,767.80	81,671.80	110,252.00	185,951.94*	\$ 853,532.19

*Note: (US\$187.64) from this figure are due to assets being sold - one laptop sold to the previous project programme specialist.

Received Tranches

First and second tranches of CAD 20 Million recorded in UNDP accounts on 31 October 2017 as follows:

Unit	Date	Payor	Payment Currency	Payment Amount	US\$ Equivalent
UNDP1	05/04/2011	GLOBAL AFFAIRS CANADA	CAD	\$10,000,000.00	\$10,358,400.71
UNDP1	27/10/2017	GLOBAL AFFAIRS CANADA	CAD	\$10,000,000.00	\$8,019,246.19
Totals				\$ 20,000,000.00	\$18,377,646.90

During the first quarter of 2020, the third tranche will be requested as per agreement in the Amendment No. 2 (Annex B – Terms of payment, section 2.2)