

Progress Report

1. Report Summary

- (1) **Title of the project (according to the note verbal): Construction and Equipping of the Ministry of Interior Central Information Technology Center (Atlas #14202)**
- (2) **Date of approval: November 28th, 2008 (Revised)**
- (3) **Total Original project budget: \$500,000 (\$455,162 Adjusted Budget for Project)**
- (4) **Scheme of the Project: Japan-UNDP fund**
- (5) **Period covered by the report: 1 May 2012 – 30 June 2012 (Report # 13)**
- (6) **Names of UNDP Officer in charge, and Project Manager with their contact address:**
 - a. Nader Atta, Program Analyst, UNDP/PAPP Jerusalem – 054-817-3956
 - b. Abdel Munem Salem, Engineering Analyst, UNDP/PAPP Ramallah – 054-817-3942
- (7) **Name of PA counterpart:**
 - a. Mohammad Tamimi, General Director IT Department, Ministry of Interior, Ramallah – 0599-329-999

2. Contents

(1) Summary of the project

The original project was to build a new computer directorate in Gaza that would connect the 17 civilian affairs offices in the West Bank and Gaza Strip and border crossings through the Central Information Technology Center. This included providing the facility with some equipment and furnishing.

The new project will encompass the completion of finishing works for two floors that will serve and be served by the Central Information Technology Center in a new facility located in Ramallah (West Bank) that was purchased by the Ministry of Interior. The building is a six floor skeleton at the present moment. No finishing works have been conducted on any floor as of yet. The two floors that will be completed will include all civil construction works, and electrical and mechanical installations. The completed floors in Ramallah will provide the same services to the population that the earlier proposed facility in Gaza would of provided.

The two floors will encompass approximately 1,200 square meters and will be home to approximately 100 Ministry of Interior Civilian affairs staff members who will not only be responsible for the information management systems, but also the issuing of passports, identification cards, birth and death certificates, new residency permits, etc.

The first floor above the main entrance of the facility will house the Information Technology Department which will be responsible for maintaining and sharing updated population information through connecting all Ministry of Interior Civilian Affairs offices in the West Bank and Gaza Strip together including border crossings. In addition, an information analysis division will be housed on the same floor.

One floor below the main entrance will house the operations and emergency services division of the passport and civilian affairs offices. These two offices at minimum will service 50 to 100 families or individuals who require immediate assistance on a daily basis. During peak seasons such as during the summer months, the Haj (annual pilgrimage to Mecca) , and the academic

school year when youth become 16 years old , the number may increase substantially up to ten times.

IV. Project Activities:

The following works are anticipated during the various stages of the project.

Finishing Works:

Finishing works are the first step of this project. The total area of the facilities two floors that will be completed during this project is estimated at 1,200 square meters. It is anticipated that the cost per square meter will be \$250 according to the UNDP engineering unit estimates. Below is an anticipated price breakdown for the finishing works. The figures are estimated by UNDP based upon current market conditions, and will be finalized upon the receipt of the final bill of quantities.

- 50% of the total finishing works estimated cost will go to Civil Works. Civil works will consist of tiling, plastering, painting, aluminum, carpentry, etc.
- 20% of the total finishing works estimated cost will go to Electrical Works. Electrical works will consist of lighting fixtures, sockets, IT installation, phone lines, networks, etc.
- 30% of the total finishing works estimated cost will go to Mechanical Works. Mechanical works will consist of air conditioning, heating, sanitary facilities, etc.

IT Equipment and Furniture:

The second stage of the project will be the procurement of IT equipment. Below is the required equipment & furniture planned to be purchased through this project as well as their estimated costs. The amount of US\$100,000 has been allocated for this component of the project. However, the figure will be reduced by a slight amount in order to cover costs associated with the finishing works.

The Ministry of Interior has provided the following initial equipment requirements and estimated costs that are to be purchased. The items have been reviewed and discussed with the Ministry and require finalization.

Project Progress:

The Invitation to Bid (ITB) for **finishing works of two floors for the Ministry of Interior Affairs premises in Ramallah** was issued on May 19, 2010. A pre-bid meeting was convened on 27 May, 2010 followed by a site visit. Eight bidders responded to the invitation and submitted bids by the deadline on the 15th of June 2010. All bidders who submitted offers are classified (by Palestinian Contractors Union) in Building category and have minimum grade 3 in building as required in the ITB. The bid opening occurred

on 15 June 2010.

During the evaluation of the bids, a letter was received from one of the bidders, namely M/S Khalil Contracting Est., asking to consider changing the currency of his submitted prices for certain sections of the BoQ. This was not possible as per our rule and regulations. UNDP requested if the contractor wants to continue with his bid, and he asked to be removed from the competition. In addition, another three bidders ended to be non responsive after failure to provide required clarifications to establish their eligibility during the evaluation process.

Detailed technical examination showed that the 4 contracting firms / bidders were responsive. The lowest responsive bidder, **M/S Jubail Contracting Co.**, submitted the lowest financial offer, being US\$ **314,020.38**, amongst the four responsive bidders. On the 30th of August 2010, the UNDP Contracts, Assets, and Procurement (CAP) committee approved the tender.

The contract between UNDP and the contractor was signed on the 28th of September 2010. A meeting between UNDP, M/S Jubail, the Ministry of Interior, and contractor working for the Ministry (Al-Masri) on the other floors took place in early October to discuss how works will proceed. Actual works did not begin until the 31st of October 2010, only after Al-Masri removed their building materials and equipment from the floors that our contractor was contracted to implement.

The Ministry of Interior has requested additional works for the data center outside the scope of works to be implemented by UNDP. These works (primarily electrical in Nature) are to be funded by the GTZ. Unfortunately, the process of approval for the works by GTZ has taken much longer than anticipated. As a result UNDP and the Ministry of Interior agreed to proceed with the original works and in the future the Ministry of Interior and GTZ can implement any required upgrades to the electrical works.

All preparation, block, and plastering works have been completed. In addition, all tiling works in the toilet units, the drainage system, and installation of electrical switchboards have been completed. Works related to mechanical & electrical works continue to be implemented on the two floors. The first floor has been finished except the installation of false ceiling tiles, which will be done at the same time with the basement floor. In addition, security counters on the first floor and kitchen cabinets in the basement have been installed. The installation of gypsum board has been completed.

However, due to the Ministry of Interior (MOI) request to change the partition layout for the basement floor, works proceeded based upon the new Ministry of Interior functional layout for the basement floor. However, due in inadequate prevention measures by the MOI contractor; our works have been affected by water damages resulting from rainwater coming through shafts and an unfinished stairwell. As a result, works have been suspended on the basement floor since the 17th of November 2011. We are working with

the MOI to resolve the problem which requires a stop to the water leakage.

The basement floor will continue to service the Passport and Civilian Affairs department, but will also be a training space for the unit as well as MOI employees. Any changes, if any, that will have an impact on the budget will be covered by the Ministry of Interior.

Based upon a meeting with the Ministry of Interior on the 14th of March 2012, it was agreed that the Ministry will ensure that their contractor who is working in parallel with us on the facility will complete the following tasks before our contractor returns to the site to finish our contractual obligations:

1. Inspect all the drainage pipes in the building which were installed by their contractor and make sure the pipes are connected with the public network.
2. Repair the stone pointing of the external walls to stop any water leakage from the walls.
3. Complete the tiling works at the ground floor to stop any leakage from this floor downward and also finish the work at the entrance area to stop the leakage from there also.
4. Connect the building with electricity in order for us to test and commission our air-conditioning and electrical installations.

Progress Since Last Reporting Period:

As of this report, 92% of works are completed. We still face obstacles in the completion of works with the Ministry of Interior. Regarding the tasks that were outlined above, only the completion of tiling works (#3) on the ground floor to prevent further leakage onto the floor we are working on was completed. All other tasks remain pending. Moreover, as previously reported, the first floor has been finished except the installation of the false ceiling tiles. Works on the basement floor continued to be on hold until the end of June 2012 when the contractor returned to the site and began implementing the following works:

- Erection of a grid system for the suspended ceiling in the basement floor which was completed.
- Repair of Gypsum board partitions in the basement floor that were damaged due to rainwater leakage from the floor above.
- Electrical wiring in the basement floor.
- Installatioin of light fixtures in the basement floor.

For the upcoming period, the following works are expected to be implemented:

- Continue painting works in the basement floor.
- Installation of electrical socket outlets in the basement floor.
- Continue electrical wiring of feeder cables from the MDB to distribution boards.
- Installation of sanitary fixtures in the basement bathrooms.
- Testing and commissioning of the electrical & mechanical systems.
- Perform Operation and Maintenance Training for the end user.

On a daily basis, on average, 4 workers (3 skilled) are employed on site. The total workdays generated to date is , 1,661 of which 749 are skilled workers. It should be noted that 100% of materials purchased for the project are produced or purchased locally, thus providing valuable stimulus to the local economy.

The works are behind schedule and the expected date of completion is approximately the end of August 2012.

As for the purchase of equipment and furniture for the facility, UNDP has provided the Ministry catalogues pertaining to various types of IT equipment and furniture that can be purchased. Although we have constantly requested their feedback, and are working in parallel with the works component of the project, we have yet to receive a response from the Ministry as to the items and specifications they require. If no movement continues with the procurement component of the project, we will officially inform the Minister of the need to finalize this task within the upcoming quarter.

(2) Project component

Component	Budget	Project site
a. Finishing Works for the two floors, including the Information Technology Department as well as the Passport and Civilian Affairs Division.	\$300,000	Ramallah
b. Purchase of IT Equipment and furniture for the two floors.	\$100,000	Ramallah

(3) Project timeframe, schedule status, progress of activities, and tasks & measures

Indicated output	Activities	Timeframe								Schedule Status	Activities done in the reporting period	Remaining Work	Tasks & Measures	
		2011				2012								
		1 Q	2 Q	3 Q	4 Q	1 Q	2 Q	3 Q	4 Q					
Completed and functional two floors utilized by public.	Hiring of Project staff			X							Site Engineer assigned following project activities.	UNDP assigned its own engineers to follow up the task.	Finalize works on site.	Site Engineer budget utilized. UNDP assigned engineer not being charged to project.
	Finishing works for two floors				X	X	X	X			Tendering and construction completed.	Finishing works ongoing.	Handover of facility. Installation of project sign. Actual finishing works. Final snag list. Installation of Plaque. Inauguration and hand over.	Ensure timely completion of project works.
IT equipment and Furniture enhancing service delivery.							X	X	X		Under Review by Ministry staff.	Identification of specifications for Equipment and Furniture has begun during this period, however, has yet to be finalized by the Ministry of Interior.	Procurement of Equipment and furniture to begin by late July 2012.	Finalization of the identification of the Specifications for the equipment and furniture requirements for the project. Tendering and Utilization of UNDP LTA.

Project Completion Date: Project works and the purchase of equipment is behind schedule and the expected completion date has been revised until the end of the third quarter 2012.

3. **Financial report:** (as of June 30, 2012)

Budget items (according to the proposal)	A. Original budget (according to the proposal)	B. Revised budget (if the original budget is revised)	C. Disbursement	D. Balance (B-C)	E. Rate of disbursement (%) (C/B*100)
Site Engineer	\$ 12,000	\$ 26,029	\$ 26,029	\$ 0	100%
Construction	\$ 300,000	\$ 300,000	\$ 189,835	\$ 110,166	63%
Equipment	\$ 100,000	\$ 98,913	\$ -	\$ 98,913	0%
Miscellaneous	\$ 13,385	\$ 443	\$ 443	\$ 0	100%
Sub-total	\$ 425,385	\$ 425,385	\$ 216,306	\$ 209,079	51%
GMS (7 %)	\$ 29,777	\$ 29,777	\$ 15,141	\$ 14,636	51%
Total	\$ 455,162	\$ 455,162	\$ 231,448	\$ 223,714	51%

UNDP has shifted funds from its miscellaneous to the site engineer budget line to cover any excess expenditure due to the delays encountered in implementation. **Be advised that UNDP has been following up the project with our site engineer since April 2011 without charging the project.**

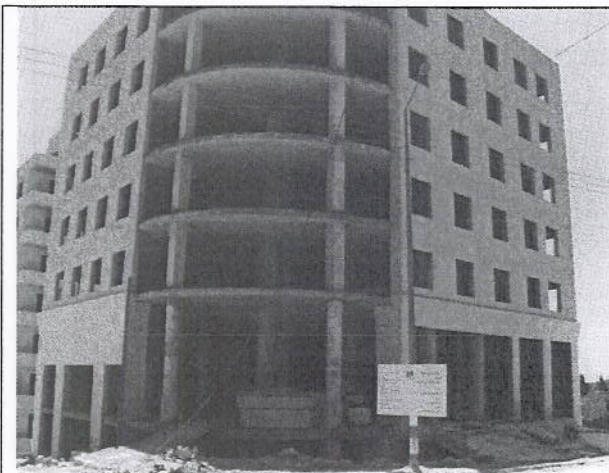
Moreover, it should be noted that the overall original contribution to the project was US\$500,000. The project was to initially construct the Central Information Technology Center in Gaza. The amount of US\$44,838 including 8% GMS was disbursed prior to the project being reprogrammed to the West Bank and includes disbursements for design works, the purchase of a vehicle for the Ministry of Interior in Gaza, and staff salary. Hostilities in the Gaza Strip prevented the construction works from ever commencing.

It is important to highlight that the financial figures in this report are temporary figures, and may be corrected at a later stage due to exchange rate fluctuations, realized gain/loss or any other possible corrections. UNDP/PAPP's financial system operates in such a manner that the financial system closes in early December of each year and that final expenditure reports reflecting the disbursements and GMS of the previous year are only published in March of the following year.

4. Any special notes or comments

Due to the interconnected works being implemented by the UNDP and a MOI Contractor, we have encountered substantial delays as a result of the MOI contractor not finalizing their scope of work in a timely manner. In addition, in early June 2011 MOI requested to change the partition plan for the basement floor, thus causing further delays in the finalization of the works. While discussions were being held with the Ministry and other contractor, some flooding occurred in the basement floor damaging some of the partitions. Also, we have requested the MOI to supply electricity to the facility in order to conduct the necessary testing. To date, the electricity has not been connected. Moreover, we are experiencing delays in receiving the equipment and furniture requirements from the counterpart.

5. Pictures of project indicating before the project and progress of the project:



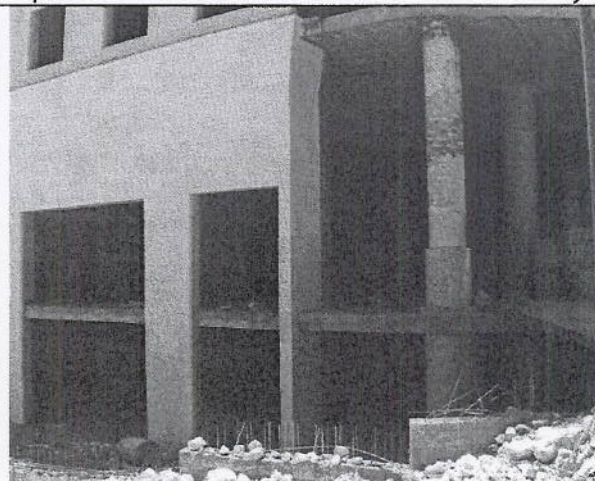
View of Front Entrance to Facility:



Updated View of Front Entrance to Facility



Floor for Passport & Civilian Affairs:



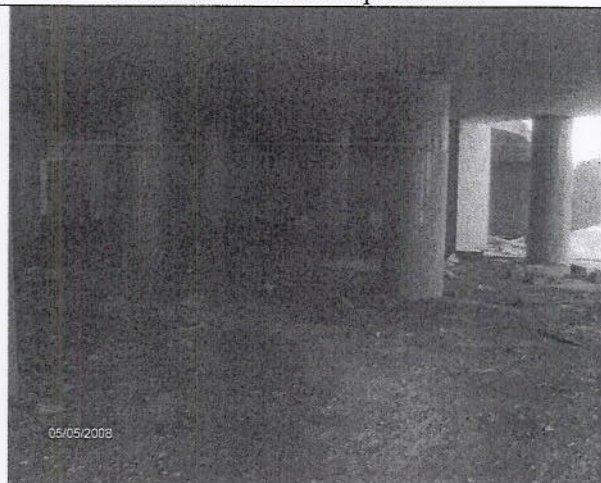
View of Minus One Floor Passport &

Civilian Affairs Department.



05/05/2008

Internal View of IT Department:



05/05/2008

Internal View of Passport and Civilian Affairs Department:



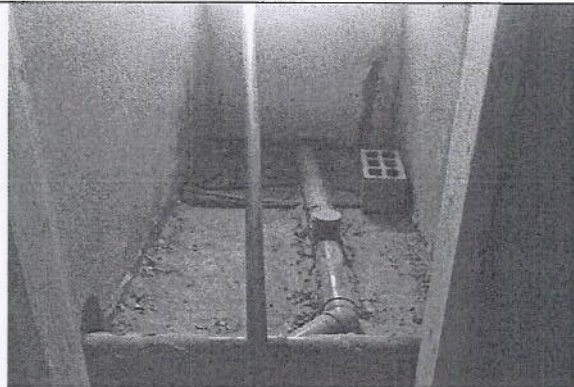
Plastering & Carpentry Works



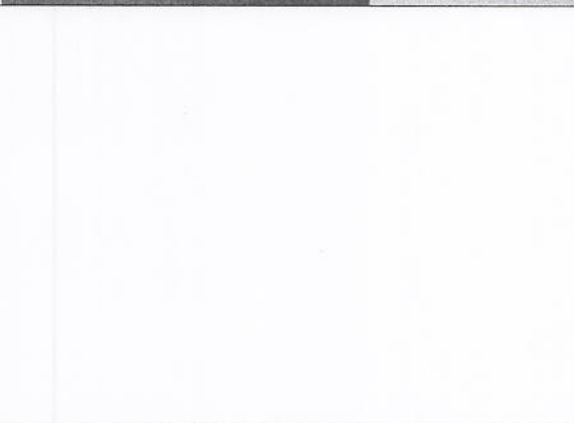
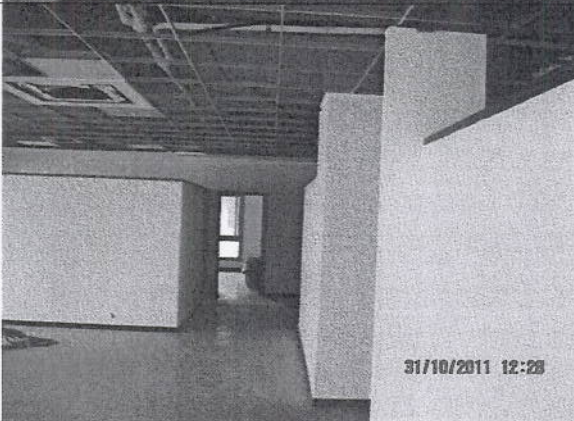
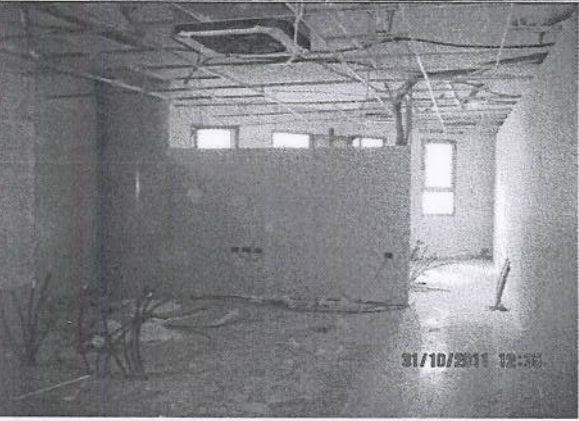
Installation of HVAC piping



Electrical Wiring



Sanitary Piping Works



6. Report authorization by UNDP/PAPP

Reporting person, title and belongings Nader Atta – Program Analyst – Governance and Social Development Unit
Date of submission: June 30, 2012
Supervisor staff with his signature Abla Amawi, Team Leader - Governance & Social Development Unit.