



United Nations Development Programme

Country: occupied Palestinian territory – Gaza Strip

Donor: The Italian Cooperation

Project: Re-activation and Upgrading of the Deir Al Balah Sea Water Desalination Plant

Final Progress Report

1 January 2012 – 30 Jun 2012

1. Report Summary

- (1) **Title of the Project** : Re-activation and Upgrading of Deir Al Balah Sea Water Desalination Plant (PAL10-00073815)
- (2) **Donor** : Italian Cooperation
- (3) **Date of the approval** : April 2010
- (4) **Project budget** : 270,710 Euro
- (5) **Scheme of the Project** : Emergency Grant
- (6) **Executing Agency** : UNDP/PAPP
- (7) **Implementing Agency** : GVC
- (8) **Period covered by the report** : 1 January 2012 – 30 June 2012 (Final Progress Report)
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2. Summary of the project:

Brief Description:

The Gaza Strip has been going through tangled political and socio-economical conditions, terminated by rapid erosion of livelihoods and serious depletion of limited natural resources. The ground water aquifer is mainly the unique water source for domestic use, which has been over drafted beyond any sustainable yield as well as being chemically polluted; placing the water situation in the Gaza Strip in dire conditions.

The project aims at developing a new water source through re-activating and upgrading the Deir Al Balah Sea Water Desalination Plant for providing sustainable access to safe potable water to 17,786 residents living in Al-Zawaida area, located in the Middle Governorate of the Gaza Strip. The project will also contribute to preserving the local ground water aquifer.

The pumping systems of two sea-shore water wells will be rehabilitated and the existing high pressure energy saving system will be upgraded for energy cost effectiveness.

By providing additional water source, the project will strengthen the managerial capacity of the service provider in achieving efficient and an equitable scheme for distributing potable water in the marginalized areas.

A public awareness campaign will be conducted targeting residents, municipal staff and the service provider(s) to address water quality-related issues, the efficient use of water and to enhance water resource management to enable achieving effective cost recovery and project's sustainability.

Expected Outcome:

Essential Infrastructure for Economic and Social Development improved by developing a new water source through the re-activation and upgrading of the Deir Al Balah Sea Water Desalination Plant; thus providing access to potable water and preserving the aquifer in the Gaza Strip.

Expected Outputs:

- Deir Al Balah Sea Water Desalination Plant re-activated and upgraded for more effectiveness and sustainability.
- Sustainable access to safe and potable water provided in the Middle Governorate of the Gaza Strip, and in Al Zawaida area in particular.
- Increased awareness of the beneficiaries regarding the efficient use of water, water quality and water resources management.

Project execution modality:

The project is executed by UNDP/PAPP. UNDP entered into cooperation agreement with GVC as the implementing partner of the project. GVC will implement the project in close cooperation with the main beneficiaries/ counterparts; PWA, CMWU, Al Zawaida Municipality and GEDCO.

3. Project Main Components and Key Activities:

The project consists of two main components with different key activities. The project's outcome and outputs will be achieved through executing and implementing these activities which are classified as follow:

Component 1: Sea Water Desalination Plant re-activated and upgraded

The objective of this project component is to carry out and perform all electromechanical and maintenance works needed to re-activate and upgrade the sea water desalination plant and operating it as per its original design capacity of 600m³/day, through implementing the following key activities:

- Supply and install electrical grid and remote-control system to re-connect the two sea shore wells to the plant
- Rehabilitation of the two sea shore well pumping system
- Upgrading the existing high pressure pump energy saving system
- Upgrading PLC, O&M of the plant and the water distribution system including provision of spare parts

Component 2: Improved water quality distributed through the municipal water network and community awareness campaign raised

Access to water is constrained by low water networks' efficiency and poor management of the zoning distribution schemes. The objective of this project component is to improve the project's impact and to maintain its sustainability through implementing the following key activities:

- Study of the existing distribution system and drafting of a sustainable operational scheme
- Establishment of Local Water Committee and carry out public awareness campaign
- Monitoring of water quality and water supply system

4. Project Implementation Arrangements:**Project Cooperation Agreement:**

UNDP entered into cooperation agreement with GVC as the implementing partner of the project. A Project Cooperation Agreement signed between UNDP and GVC on 16 April 2010.

Coordination arrangements between, GVC, PWA, CMWU and GEDCo:

The following MOUs signed between GVC and project's partners for cooperative implementation:

- MOU signed between GVC, CMWU and UNDP on 10 March 2010, stating responsibilities of each party and CMWU commitment to contribute to the project in case of budgetary constraints.

- MOU signed between GVC, CMWU, GEDCo and UNDP on 11 March 2010, and an addendum signed on 04/07/2010, including the GEDCo's design and supplies needed for the construction of the electrical grid to re-connect the two beach wells to the SWDP.
- MOU signed between GVC, CMWU, PWA and UNDP on 17 March 2010, stating responsibilities of each party and coordination arrangements.

Partnership arrangements between GVC and PHG

A MOU stating partnership arrangements between GVC and the PHG (Palestinian Hydrology Group) for the implementation of the project was signed between the two parties on 01 April 2010. An addendum to this MOU was signed on 30 April 2010.

5. Implementation Progress and Main Achievements:

The project has been successfully completed and handed over on 8 February 2012. A final handing over ceremony conducted on 29 February 2012 with the attendance of all concerned parties, different institutions and NGO's, middle area municipalities, community leaders and community members and had a large coverage about the intervention and its outputs by the media including video satellite broadcasting, reporting and interviews.

Within the completion of the project, the desired targets have been achieved as follow:

- Deir Al Balah Sea Water Desalination Plant re-activated and upgraded to work as per its original design capacity of 600cubic meter per day.
- The damaged two sea shore wells rehabilitated by installing new two submersible pumps of a capacity of 65 cubic meters per hour each. The relevant pumping system installed and the two wells reconnected to the plant.
- New energy saving system installed and operated, replacing the old non efficient system, for more energy cost effectiveness. With the new energy saving system, the total energy consumption of the plant reduced by 53%.
- By implementing the water distribution plan agreed upon between Al Zawaida municipality and CMWU on 12 September 2011 and 9 February 2012, the drinkable water generated from the plant distributed through Al Zawaida water network to the difernt zones of the city; benefiting more than 17,000 residents.
- Results of water samples analyses, of water produced by the desalination plant and distributed through Al Zawaida water network, showed that water supplied to end users is of high quality values for drinking water and meets WHO guidelines.
- Local Water Committee established and trained. The LWC consists of 13 members representing each district in which the Municipality is divided into (10 districts) and 3 representatives of the Municipality. The LWC will continue the public awareness activities, monitor water supply at household level in terms of quality and quantity and serve as a link between local communities and service providers.
- Public awareness campaign addressing water quality and water consumption related issues took place targeting different communities. The campaign aimed at enhancing water resources management and controlling water consumption to enable achieving effective cost recovery and project's sustainability. Information materials have been distributed and beneficiaries have been reached though various communication means like brochures, public presentations in schools, hospitals, local NGOs and religious places. The final handing over ceremony held on 29 February 2012 had a large coverage by media including video satellite broadcasting reporting interviews.

The following time frame schedule summarized the project's undertaken activities with specific targets against the project' relevant outputs:

5.1. Project Timeframe, Schedule Status and Progress of Activities:

Indicated output	Activities	Timeframe												Schedule Status	Activities done in the reporting period	Remaining work			
		2010				2011				2012									
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	Q1	Q2	Q3	Q4						
Output 1: Deir Al Balah Sea Water Desalination Plant re-upgraded and effectiveness and sustainability.	Team Mobilization															Completed	Staff recruitment		
	Preparation of MOU between GVC, PWA, CMWU, GEDCO and UNDP																Completed	MOU signed between GVC, CMWU and UNDP on 10 March 2010 stating responsibilities of each party and CMWU commitment to contribute to the project in case of budgetary constraints. MOU signed between GVC, CMWU, GEDCO and UNDP on 11 March 2010 relevant to installing the electrical grid. An addendum signed on 4 July 2010. MOU signed between GVC, PWA, CMWU and UNDP on 17 March 2010 for cooperative implementation of the project. MOU signed between GVC and PHG (Palestinian Hydrology Group) on 1 April 2010 for partnership arrangements for project implementation. An addendum to this MOU was signed on 30 April 2010. MOU signed between PHG and GVC has been extended for the whole duration of the project on 30 June 2011.	
	Prepare, review and finalize detailed design and BOQs. Prepare tender documents. Carry out tendering and bidding processes. Review, evaluate bids and award contract/s. Start construction works.																Completed Delayed 6 months due to delay of transferring fund from donor	Preliminary BOQs sent to CMWU on 28 April 2010. Technical consultancy provided by Italian expert, visited Gaza from 15 to 20 May 2010. BOQ discussed and finalized with PWA, CMWU and UNDP on 19 May 2010. Tender documents revised by GVC and UNDP during July 2010. Final BOQ agreed between GVC and UNDP on 11 August 2010 and approved by CMWU and PWA.	

<p>1st Tender Procedure: Advertisement published on 16 and 17 August 2010. Tender opening session held on 23 September 2010. Evaluation committee recommended to re-advertising the tender on 19 Oct. 2010.</p> <p>2nd Tender Procedure: Advertisement published on 27 and 28 October 2010. Tender opening session held on 25 November 2010. Contract awarded to Al Abnia Al Haditha Co. and signed on 31 December 2010.</p>			
<p>The required electrical aluminum cable 4x150 mm2 (XLPE/PVC) supplied by contractor on 10 March 2011 - paid directly by CMWU and approved by GEDCo. The required length of data cable was not available at CMWU store and it has been requested to the contractor as variation (Addendum I to the Contract) and delivered on 13 June 2011. The installation and fixing of the electrical grid and data transfer cable have been completed in June 2011. Fixing and testing the electrical connections and data signals completed on January and February 2012.</p>	<p>Completed Delayed 9 months</p>	<p>Supply and install the electrical grid. Re-connect the two sea shore wells to the plant</p>	
<p>Pumping tests have been carried out on 16 and 19 February 2011 for both of the wells. Three submersible pumps' electrical motors contributed by the Italian Office of Development Cooperation delivered by contractor on 20 March 2011. Pumps delivered on 06 June 2011. The installation of the submersible pump at well no. B was finalized on 6 July 2011. The installation of the second submersible pump in beach well no. A was carried out on 18 August 2011 and all relevant works of the two pumps and pumping system completed. The two beach wells have been operated, connected to the plant and tested and</p>	<p>Completed Delayed 9 months</p>	<p>Rehabilitation of the two sea shore well pumping system</p>	

	<p>frequency. With regard to this pump, a new controller has been installed as an independent control system not under the PLC logic.</p> <p>All above mentioned factors had properly set up and the new energy system operated and delivered as a fully functional scheme.</p> <p>All original manuals and as built drawings have been handed over to the CMWU on 8 Feb. 2012.</p>						
	<p>Supervision of the construction works of the protective structures for the wells and the control panel completed. Supervision of the installation of the electrical grid and data transfer system completed. Supervision of installation of riser pipes at the beach wells submersible pumps completed. Supervision of the installation of and BMEX system, including the reactivation of and PLC signals completed along with testing and operating the plant and handing it over to the service provider.</p>	<p>Completed Delayed 13 months</p>					
	<p>The protective structures for the sea wells and the control panel have been handed over to CMWU on 29 March 2011.</p> <p>The installation of the electrical grid and data transfer system, the installation of the two beach wells submersible pumps and riser pipes and the installation of BMEX system, including e upgrading and reactivating the PLC system completed along with testing and operating the plant. The plant has been handed over to the service provider on 8 February 2012 and the inauguration ceremony conducted on 29 February 2012.</p>	<p>Delayed 13 months</p>					
	<p>Monitoring construction works and approve payments</p>						
	<p>Finalize construction works and hand over to the service providers</p>						
	<p>Study of the existing water distribution system</p>	<p>Completed/ on schedule</p>					<p>Household survey using questionnaire carried out by LWC during July 2010.</p> <p>Consultancy on water distribution system carried out during the period 25 July – 31 August 2010 with the support of Italian expert from the GVC</p>
	<p>Output 2: Sustainable access to safe and qualitative drinkable water in the Middle</p>						

<p>Governorate of the Gaza Strip, Al Zawaida area in particular, is provided and ground water aquifer preserved.</p>	<p>Drafting of a sustainable operational scheme</p>		<p>Completed Delayed 9 months</p>	<p>who accessed Gaza on 10 August 2010. Relevant meetings between PWA, CMWU, Al Zawaida Municipality and UNDP conducted on October, November and December 2010. Definition of a draft operation and water distribution plan done in coordination between CMWU and Al Zawaida Municipality and presented to CMWU and UNDP on 27 December 2010.</p>
<p>Monitor water supply in water network.</p>			<p>Completed Delayed 13 months</p>	<p>A meeting was held on 2 January 2011 BY GVC and Al Zawaida Municipality to present the results of the questionnaire and to propose a water distribution plan based on the zoning scheme. After the entry of the BMEX system, fittings and spare parts into Gaza, GVC has reactivated the activities aimed at drafting the water distribution plan. A meeting among the LWC, Al Zawaida Mayor, GVC and PHG and subsequently a technical meeting conducted on 7 August 2011 has highlighted the possibility to finalize MoU between CMWU and the Municipality of Al Zawaida for the water distribution plan. MoU signed between Al Zawaida Municipality and CMWU on 12 September 2011 for a water distribution plan and cost recovery scheme for the supply of drinking water to Al Zawaida Municipality. The MoU extended between the two parties and re-signed on 9 Feb. 2012. Collection of TSD levels at household carried out by the LWC before the intervention in April-May 2011. After handing over of the plant on 8 February 2012, the quality of the water generated by the plant and distributed through the water network monitored at the household level and found meeting the WHO guidelines in the different zones of Al Zawaida.</p>

Collection of water samples and tests (before the intervention)			<p>A service contract for water sampling and testing signed on 21 Nov. between GVC and Bir Zeit lab. 13 water samples analyzed (3 from the water wells and 10 from each zone of Al Zawaida) to have a general view about existing water quality.</p> <p>A contract to supply no. 12 portable EC and TDS meters signed between GVC and Lauluat Al-Farisain Trade Co. on 19 Dec. 2010, and have been provided.</p> <p>Portable EC and TDS meters distributed to the LWC members as tool to monitor water quality at household level before and after the re-activation of the desalination plant and in order to activate a monitoring mechanism to regularly collect TDS levels in all Al Zawaida zones through the LWC and in coordination with CMWU and Al Zawaida Municipality.</p> <p>Training session for LWC on using TDS meters for proper readings and monitoring plan conducted on 20 and 21 April 2011. Collection of TSD levels at household carried out by the LWC before the intervention in April-May 2011.</p>	
Make correction measures and necessary modifications of the water networks by service provider		Completed Delayed 13 months	<p>Correction measures and necessary modifications of the water networks identified and implemented by CMWU and Al Zawaida municipality after the application of the agreed upon water distribution plan ahead the reactivation of the plant. Drinkable water produced from the plant distributed successfully to Al Zawaida different zones on 28 February 2012.</p>	

<p>Training on management and distribution system at municipal level and monitoring of the sustainable operational scheme</p>		<p>Completed Delayed 13 months</p>	<p>Throughout studying and negotiating the water distribution plan, and as soon as the plant reactivated and the drinkable water distributed through the municipal water network , practical on-site trainings on managing the distribution system and monitoring it of sustainable operational scheme has been conducted for operators at municipal level. A monitoring mechanism for the distribution plan will take place by CMWU, Al Zawaida Municipality and PWA to evaluate the impact of the water distribution plan and set any eventual adjustments.</p>	
<p>Brackish water well located at the site of the desalination plant will be stopped. Further discussions with PWA and CMWU to close number of high saline water wells in the targeted area.</p>		<p>Completed Delayed 13 months</p>	<p>After installing the new energy saving system and reactivating the desalination plant, the intake of brackish water from the brackish water well located at the plant's site stopped. Through negotiating the water distribution plan, different discussions conducted with PWA, CMWU and Al Zawaida Municipality to enhance stop using a number of high saline water wells in Al Zawaida area after supplying the drinkable water from the desalination plant.</p>	
<p>Finalize handing over to the service provider and end users</p>		<p>Completed Delayed 13 months</p>	<p>The reactivation and upgrading of the sea water desalination plant has been successfully completed and handed over to the service provider on 8 February 2012. The drinkable water produced by the plant successfully distributed to Al Zawaida different zones, which will be continued as per the extended MoU of the water distribution plan signed between CMWU and Al Zawaida municipality on 9 February 2012. The Inauguration ceremony of the project conducted on 29 Feb. 2012 with the attendance of all concerned parties, middle area Mayors, local institutions, community leaders and members.</p>	

<p>Identify community needs, asset required support and coordination with service providers</p>	<p>Local water community established to support identifying community needs and to serve as a link between local communities and service providers</p> <p>Household survey using questionnaire carried out by LWC during July 2010.</p> <p>Consultancy on water distribution system carried out during the period 25 July - 31 August 2010 with the support of Italian expert from the GVC who accessed Gaza on 10 August 2010.</p> <p>Relevant meetings between PWA, CMWU, Al Zawaida Municipality and UNDP conducted on October, November and December 2010.</p> <p>Definition of a draft operation and water distribution plan done in coordination between CMWU and Al Zawaida Municipality and presented to CMWU & UNDP on 27 Dec. 2010.</p> <p>Regular coordination meetings among CMWU, Al Zawaida Municipality, PWA, GVC, PHG and UNDP conducted through the project technical committee.</p> <p>Meetings with the LWC has been conducted on 10 July 2011 for sharing results of the TDS reading and on 18 July to share and collect information on how to improve the network distribution and address the problems of Al Zawaida people.</p> <p>A meeting conducted on 26 July between LWC and Al Zawaida Mayor to better address the constraints raised by LWC and try to find proper solutions.</p> <p>With the support of all parties, MoU signed between Al Zawaida Municipality and CMWU on 12 September 2011 for a water distribution plan and cost recovery scheme for the supply of drinking water to Al Zawaida Municipality. The MoU extended between the two parties and re-signed on 9 Feb. 2012.</p>
<p>Output 3: Increased awareness of the beneficiaries regarding the efficient use of water, water quality and water resources management.</p>	<p>Completed</p>

<p>LWC discussed by GVC, PHG, CMWU & Al Zawaida Municipality on April and May 2010. Introductory meeting of project strategy, goals and activities conducted on 18 April 2010.</p> <p>A meeting for defining LWC role and selecting its members conducted on 28 April 2010.</p> <p>A meeting to defining the objectives trainings LWC conducted on 03 May 2010.</p> <p>Final selection meetings of LWC members conducted on 9-10-11-13 May 2010.</p> <p>LWC officially established on 24 May 2010, consists of 13 members.</p> <p>Further training for LWC conducted on water quality and quantity monitoring and practical training on using TDS meters conducted on 20 & 21 April 2011.</p>	<p>Completed On schedule</p>													
<p>After reactivating the sea water desalination plant, the quality of water produced by the plant and distributed through Al Zawaida network has been monitored.</p> <p>The analysis of collected water samples has been carried out by the CMWU's laboratory established recently at the desalination plant's site.</p> <p>Results showed that the water produced by the plant and supplied to end users through the water network has high quality values for drinking water and meets the WHO guidelines.</p>	<p>Completed Delayed 13 months</p>													
<p>LWC trained on information gathering, questionnaires, methodology and scheduling on 24 June 2010.</p> <p>LWC has carried out the household survey during July 2010. A total number of 100 questionnaires have been filled in and analyzed.</p> <p>LWC trained on water quality indicators, on 26 and 27 September 2010 in Gaza.</p> <p>Finding of the household survey discussed by</p>	<p>Completed Delayed 13Months</p>													

consumption		<p>LWC and Al Zawaida Municipality on 20 November 2010 to ensure reflecting real situation and constraints in terms of water access in Al Zawaida.</p> <p>Training on using TDS meters conducted on 20 & 21 April 2011.</p> <p>Meetings with the LWC has been conducted on 10 July 2011 for sharing results of the TDS reading and on 18 July to share and collect information on how to improve the network distribution and address the problems of Al Zawaida people.</p> <p>A meeting conducted on 26 July between LWC and Al Zawaida Mayor to better address the constraints raised by LWC and try to find proper solutions.</p> <p>Different meetings and workshops provided to local communities and groups on water quality and management of consumption as detailed by under section.</p> <p>After reactivating the desalination plant, the quality of water produced by the plant and distributed through Al Zawaida network monitored and samples collected at the households level and analyzed by the CMWU's lab located at the plant's site.</p>	
Develop and disseminate public awareness relevant documents. Conduct public meetings	Completed Delayed 13 months	<p>Awareness activities undertaken; 6 workshops conducted in schools, hospital and community including power point presentations:</p> <p>A workshop conducted at Amoria prep. school and Amoria secondary school, on 1 Dec. 2010, attended by 45 students and teachers.</p> <p>Two workshops conducted at Al Aqsa Hospital in Al Zawaida on 5 and 6 December 2010; attended by 54 doctors, nurses and hospital administrative staff.</p> <p>A workshop conducted at Ben Rushed prep. school and secondary school on 15 December</p>	

<p>2010; attended by 25 students and teachers.</p> <p>A workshop conducted at Youth and Environment Association on 19 December 2010, attended by 23 women and 15 men.</p> <p>A workshop conducted at the Women Association on 21 December 2010, attended by 35 women and 20 men.</p> <p>Due to delay faced in re-activating and operating the plant, training and awareness campaigns have been partially suspended during the months of January, February and March 2011 and have been re-activated during the month of April 2011.</p> <p>Training of LWC members, focused on their role in monitoring water quality and quantity at household level was conducted on 20 and 21 April 2011.</p> <p>On 26 May 2011 a meeting conducted for the LWC members where they received a TDS level monitoring form to be filled for each district of Al Zawaida area.</p> <p>On 14 June, a meeting conducted for the LWC members in Al Zawaida Municipality to evaluate the TDS readings collected by them at household level during April-May 2011.</p> <p>A meeting conducted on 26 July between LWC and Al Zawaida Mayor to better address the constraints raised by LWC and try to find proper solutions.</p> <p>However, the information and awareness campaign took place again as planned during the months of January and February 2012.</p> <p>Information material has been distributed and the beneficiaries have been reached through various communication means like brochure, public presentation in schools, hospitals and religious places.</p> <p>The final handing over ceremony held on 29</p>	
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	<p>February 2012 had a large coverage by the media including video satellite broadcasting, reporting and interviews.</p> <p>A preliminary workshop conducted with PWA and CMWU on 13 October 2010 to define strategies to ensure supplying beneficiaries with safe drinkable water.</p> <p>Advantages and constrains of different options of distributing potable water have been analyzed (water tankers, public water fountains, pipelines dedicated to potable water). PWA and CMWU recommended that water provided through desalination plant to be used to improve quality of water supplied through the municipal network.</p> <p>A workshop held with GVC, CMWU and UNDP on 27 Dec. 2010 to present findings of the household questionnaires and network study.</p> <p>A workshop conducted on 8 February 2011 for EWASH cluster members in Gaza to illustrate operational aspects and economic sustainability of a brackish water desalination plant and Deir Al Balah sea water desalination plant, as well as the impact of different options of water distribution (water blending scheme in the network) on quantity and quality of supplied water.</p> <p>Information material has been distributes and the beneficiaries has been reached through various communication means like brochure, public presentation in schools, hospitals and religious places.</p> <p>The final handing over ceremony held on 29 February 2012 with the attendance of all concerned parties, local institutions, middle area Mayors and municipal staff, community leaders and community members had a large coverage about the intervention and outputs by the media including video satellite broadcasting, reporting and interviews.</p>
	Completed

6. Financial Report

Budget Main Items (According to Proposal)	A. Original budget According to PD EURO	B.1 Revised budget Original Budget Revised by US\$ *	B.2 Revised budget Actual Budget Revised by US\$ **	C. Disbursement US\$ ***	D. Balance (B2-C) US\$	E. Rate of Disbursement (%) (C/B2*100)
1.1 Reactivation and Upgrading of Deir Al Balah SWDP – Contribution to GVC	245,000	333,445	332,771.33	332,771.33	0	100 %
1.2 GMS (7%)	17,150	23,341.15	23,293.99	21,022.47	2,271.52	90 %
Sub-total	262,150	356,786.15	356,065.32	353,793.8	2,271.52	99 %
2.1 UNDP Programme operation costs & project monitoring support	8,000	10,888	11,455.07	10,659.09	795.98	93 %
2.2 GMS (7%)	560	762.16	801.86	657.37	144.49	82 %
Sub-total	8,560	11,650.16	12,256.93	11,316.46	940.47	92 %
Grand Total	270,710	368,436.31	368,322.25	365,110.26	3,211.99	99 %

* Project budget revised based on UNDP/PAPP monthly exchange rate of October 2010; date of receiving the fund, at Euro = 1.361 USD, not applied on Atlas

** Revised budget based on the actual budget allocated on Atlas for the project when the ASL and the budget of emergency programme distributed for its three projects on 12 September 2011. Figures of contribution to GVC are based on actual disbursement to GVC based on the UNDP monthly exchange rates.

*** Actual disbursement up to July 2012.

7. Any Special Notes or Remarks:

7.1. GVC Request of Time Extension and Increase of Project Budget :

The delay of transferring the fund from donor up to receiving it on 1 Oct. and transferring fund to GVC (the first installment was received by GVC on 2 November 2010) has forced GVC to slow down the activities and to delay the tendering process/contract award.

Due to that, GVC requested a six month extension for the project duration, from 1 January to 30 June 2011, together with a request of budget increase to cover the project support costs during the extension period.

A meeting held between the Italian Cooperation representative, UNDP and GVC on 22 December 2010 at the Italian Cooperation office in Jerusalem to discuss the GVC request. During the meeting it was agreed to accept the extension with no increment of the original project's total budget allocated through UNDP, and GVC will foresee a budget revision to better allocate the remaining budget of the project. Thus, the Project Cooperation Agreement amended up to 30 June 2010 and signed by both parties on 11 March 2011.

7.2. GVC Request for Additional Contributions:

After the opening session of the 2nd tendering procedure, which was held on 25 November 2010, and due to budgetary constraints, GVC requested a financial contribution, for some of the items included in the Bill of Quantities, to the Consulate General of Italy - Office of Development Cooperation - Emergency Office and to the CMWU (Costal Municipalities Water Utility).

The Consulate General of Italy - Office of Development Cooperation - Emergency Office responded positively to GVC request. A purchase order to supply and install two submersible pumps and motor was sent to the contractor, through GVC, by the Italian Office of Development Cooperation on 26 November and signed for acceptance by the contractor on 29 December 2010. The amount of this purchase order is Euro 19,724.

At the same time, CMWU (Costal Municipalities Water Utility) agreed to contribute to the contract's works of supplying and installing electrical cable and civil works at a total amount of Euro 23,670, which will be paid directly to the contractor by CMWU.

7.3. GVC Request of Second Extra No Cost Time Extension and Increase of Project Budget :

The main required material (energy saving system), which was purchased by contractor on March 2011 and needed to be manufactured upon request by Grundfoss/ Italy, has transported to Israel via air shipping and then accessed to Gaza on 20 June 2011. At the same time, an international expert from the manufacturer needed to be provided by the contractor to access Gaza to fix and test this energy saving system; as per contract.

Due to delay encountered in supplying the required equipment and in nominating international expert by the manufacturer; with their concern hesitant to sending him to Gaza with its security contexts, GVC requested extra 4 months of no cost extension for a second time for the project duration, from 30 June 2011 to 31 October 2011, to enable completing the project and achieving the desired results.

GVC requested as well to make budget revision to cover their extra costs for project support incurred due extension period.

A meeting was conducted between UNDP and GVC on 9 June 2011 to discuss the GVC requests and it was agreed upon the extra 4 months no cost time extension and amending the duration of completion of the Project Cooperation Agreement up to 31 October 2011. Thus, the Project Cooperation Agreement amended for the second time up to 31 October 2011 and signed by both parties on 26 June 2011.

It was agreed as well on revising the budget lines considering the above mentioned additional contributions, while maintaining the original PCA project's budget of total Euro 245,000, for UNDP revision and approval.

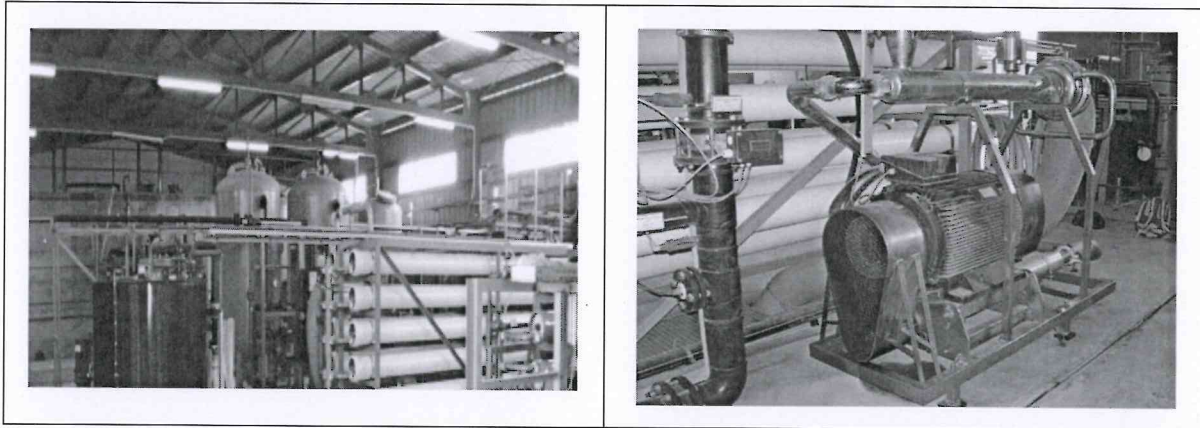
7.4. GVC Request of Third Extra No Cost Time Extension :

Due to delay of getting the Israeli approval to access the Italian expert from SIEREG Co. to Gaza and thus delay in installing the energy saving system, GVC requested another extra 4 months of no cost extension for the project duration up to 28 February 2012 to enable completing the project and achieving the desired results. Thus, the Project Cooperation Agreement amended for the third time up to 28 February 2012 and signed by both parties on 21 November 2011.

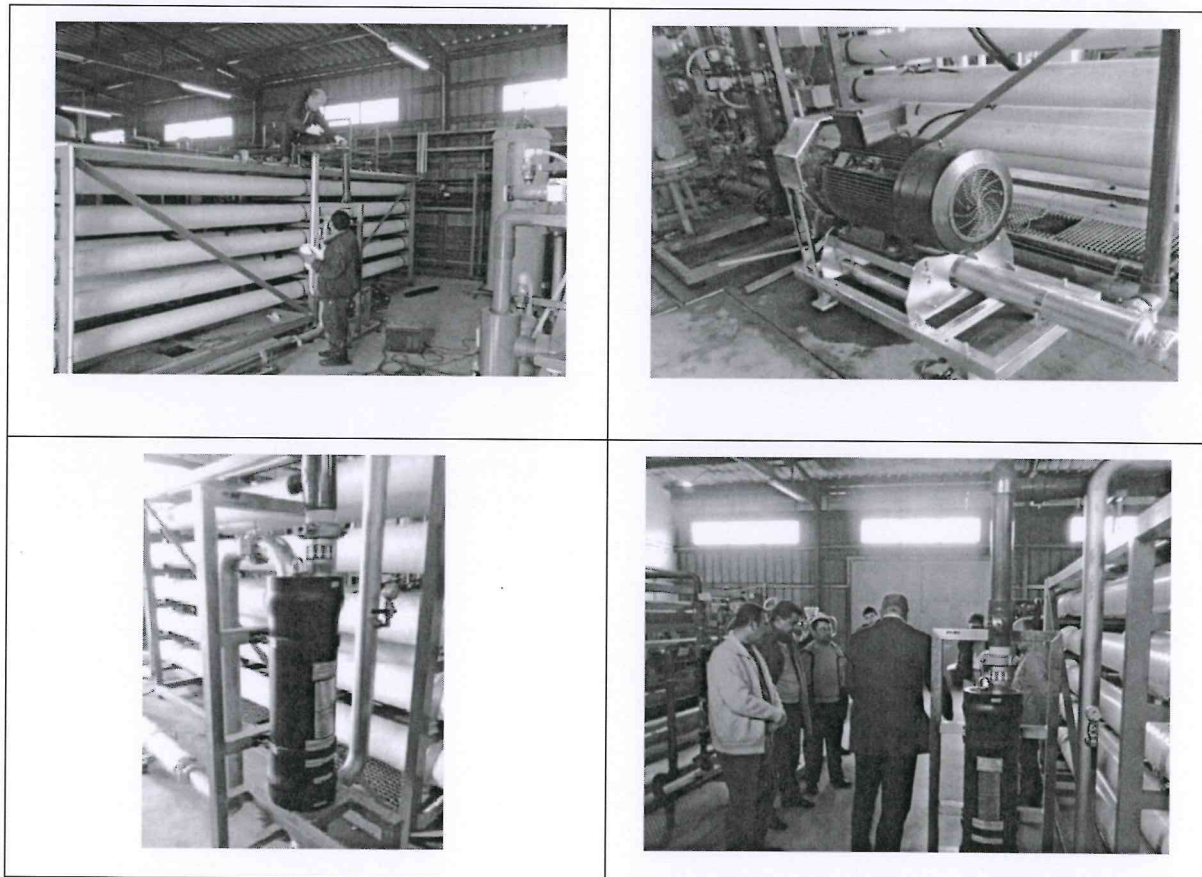
It is worth to mention that remaining works activities have been completed within this amended duration and the sea water desalination plant has been handed over to the service provider on 8 February 2012 and the project's inauguration ceremony conducted on 29 February 2012.

8. Photos of Deir Al Balah Sea Water Desalination Plant Project indicating before and after the intervention:

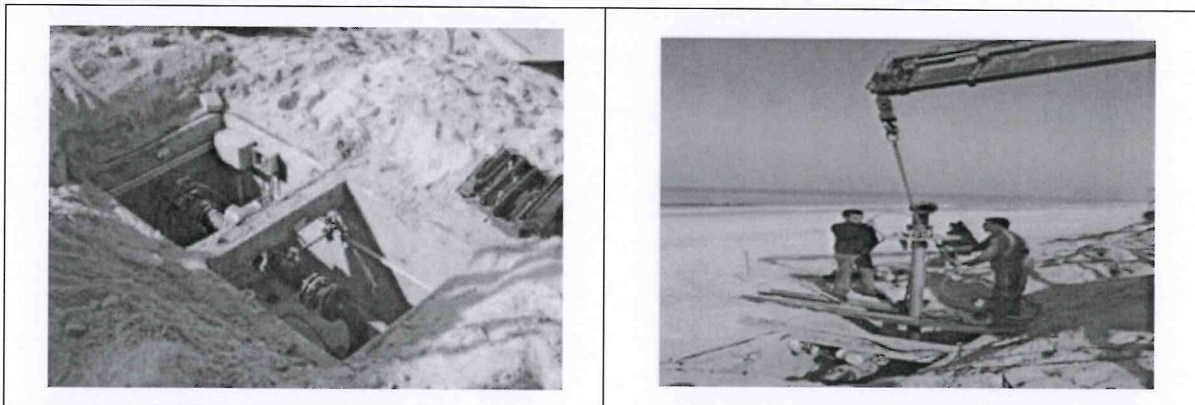
- Photos of reverse osmosis system & old energy saving system



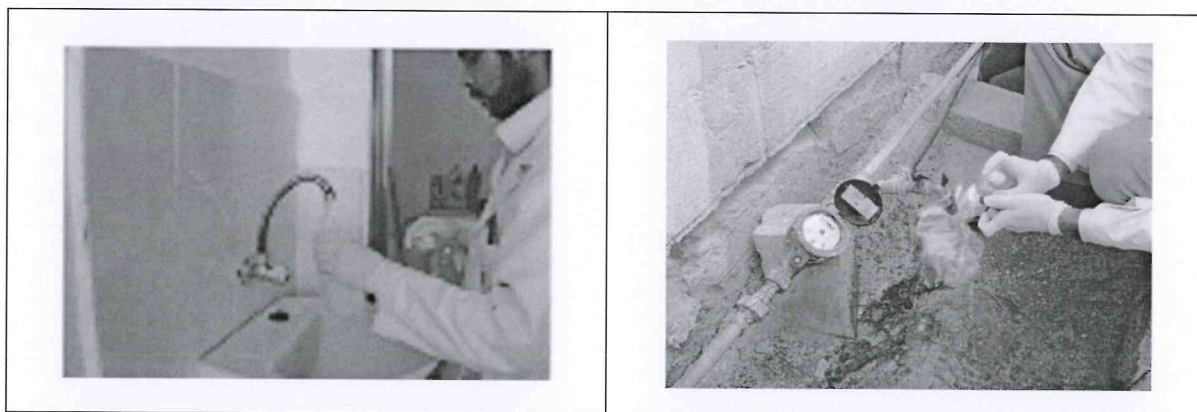
- Photos of the new energy saving system



- Photos of assessing the two sea shore water wells



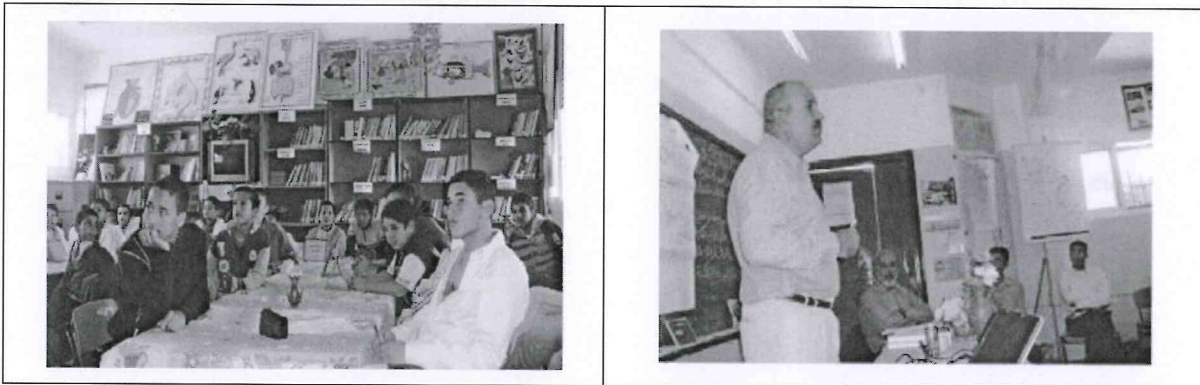
- Photos of sampling & testing piped water - Al Zawaida, December 2010



- Photos of public awareness sessions in Al Aqsa Hospital hall, 5 & 6 December 2010



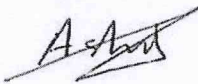
- Photos of public awareness sessions in Amoria prep. & secondary school, 1 December 2010





- Photos of inauguration Ceremony, 29 February 2012



9. Report Authorization by UNDP/PAPP

Reporting person, his/her title and belongings : Ashraf Abu Shamala , Project Manager	
Reviewed by: Husam Tubail, Programme Analyst, environment and natural resources unit-UNDP/PAPP	
Date of submission: 10 July 2012	
Supervisor's name and his/her signature: Rima Abu Middain , Natural Capital Team Leader	

9. Report Authorization by UNDP/PAPP

Reporting person, his/her title and belongings : Ashraf Abu Shamala , Project Manager	
Reviewed by: Husam Tubail, Programme Analyst, environment and natural resources unit-UNDP/PAPP	
Date of submission: 10 July 2012	
Supervisor's name and his/her signature: Rima Abu Middain , Natural Capital Team Leader	



Tracking Sheet

PROJECT ATLAS NAME: **Re-activation and Upgrading of Deir Al Balah Sea Water Desalination Plant**

PROPOSAL #: 00059090 AWARD #:00059090 PROJECT #:00073815 DONORS (NAME): Italian Cooperation

AGREEMENTS CONTRACTS LETTERS/MEMO'S AWP PROJECT DOC. OTHERS:
 FINAL PROGRESS REPORT

SUBJECT: Donor Final Progress Report Q1 + Q2 - 2012

TITLE	NAME	DATE IN	ACTION	DATE OUT	SIGNATURE
PROJECT MANAGER	ASHRAF ABU SHAMALA	10/7/2012	PREPARED DRAFT FINAL PROGRESS REPORT Q1-Q2 - 2012	10/7/2012	<i>Ashraf</i>
PROGRAMME ANALYST	HUSAM TUBAIL	10-7-12	Reviewed	25-7-12	<i>Husam</i>
TEAM LEADER	RIMA ABU MIDDAIN				
PROGRAMME SUPPORT (INCLUDING PA/TRAVEL/ ENGINEERING/PROCUREMENT / HR/ FINANCE/OPERATIONS)					
COMMUNICATIONS					
SECURITY					
PROGRAMME MANAGEMENT SUPPORT UNIT (PMSU)					
DSR (O)					
DSR					
SR					

Comments:
