



مركز العالم العربي للبحوث والتنمية
Arab World for Research & Development

Quality Research ... Matters

World Bank

**Palestinian Partnership for Infrastructure
Development
Multi-Donor Trust Fund - PID MDTF**

Independent Mid-Term Evaluation

Mid-Term Evaluation Report

February 2017

Evaluation Team:

*Key Experts: Dominique Lallement
Kirsty Wright
Mohammad Eila*

Team Leader: Nader Said-Foqahaa

*Support Team: Reem Ziad-Ghattas
Nicholas Hyman
Noor Araj*

Acknowledgements

AWRAD is grateful for the opportunity provided by the World Bank to undertake the independent evaluation of the Partnership for Infrastructure Development Multi-donor Trust Fund (PID MDTF). The team is particular grateful to Bjorn Philipp, the PID MDTF Manager, Rafeef Abdel Razek, Operations Officer and Fifi Antar, Program Assistant at the World Bank, for their time and reflections on the experience with the PID MDTF. The team is equally grateful to all donor representatives, project managers and staff, PA representatives and others who made themselves available to meet with the Evaluation team, and offered their views and suggestions.

List of Tables and Graphs

List of Tables
Table (1): Project Sample
Table (2): Summary of Interviewees
Table (3): Field Visits
Table (4): PID MDTF Current Project Portfolio 2012-2016
Table (5): PID MDTF Project Portfolio, Sector Composition, 2012-2015 and 2016
Table (6): Institution and Capacity Building Components in Project Sample
Table (7): Contribution of PID MDTF Activities to Stated Program Outcomes
Table (8): Analytical and Advisory Assistance in Project Sample
Table (9): Detailed Donor Paid-in Contributions
Table (10): World Bank Competencies across Design and Implementation of PID MDTF Active Projects
Table (11): Assessment of Risks at Mid-term
List of Graphs
Graph (1): PID MDTF Results and Outcome Framework
Graph (2): PID MDTF Organizational Structure
Graph (3): Contributions to PID MDTF
Graph (4): Paid-in Contributions against Disbursements

List of Acronyms

AAA	Analytical and Advisory Activities
AFD	<i>Agence Française de Développement</i> (French Development Assistance Agency)
AF	Additional Financing
AHLC	Ad Hoc Liaison Committee
CAS	Country Assistance Strategy (World Bank)
CMWU	Coastal Municipalities Water Authority
COGAT	Coordination of Government Activities in the Territories
EIB	European Investment Bank
EMP	Environmental Management Plans
EQA	Environmental Quality Authority
ESMAP	Energy Sector Management Assistance Program
ESMF	Environmental and Social Management Plans
EU	European Union
FY	Fiscal Year
GPOBA	Global Program for Output-Based Aid
HRD	Human Resource Development
IBRD	International Bank for Reconstruction and Development
IEG	Independent Evaluation Group
IFC	International Finance Corporation
ISN	Interim Strategy Note (2012-2014) of the World Bank
ISR	Implementation Status and Results
JSC	Joint Services Council
KfW	<i>KfW Bank für Entwicklung</i> (KfW Bank for Development-Germany)
KPI	Key Performance Indicators
LACS	Local Aid Coordination Secretariat
LED	Local Economic Development
LTCS	Local Technical Consultants
MDP	Municipal Development Program
MENA	Middle East and North Africa (Region of the World Bank)
MIS	Management Information System
MDLF	Municipal Development and Lending Fund
MOLG	Ministry of Local Government
MOU	Memorandum of Understanding
NDP	National Development Plan
NGEST	North Gaza Emergency Sewage Treatment Project
OECD	Organization for Economic Cooperation and Development
OG	Oversight Group
O&M	Operations and Maintenance
PA	Palestinian Authority
PAD	Project Appraisal Document
PforR	Program for Results
PID MDTF	Partnership for Infrastructure Development Multi-donor Trust Fund
PMU	Project Management Unit
PPP	Private Public Partnership
PPIAF	Private Public Infrastructure Advisory Facility

PWA	Palestinian Water Authority
SDIP	Strategic Development Implementation Plan
SWOT	Strengths Weaknesses Opportunities and Threats (Analysis Framework)
TA	Technical Assistance
TF	Trust Fund
TFGWB	Trust Fund for Gaza and the West Bank
ToR	Terms of Reference
TOU	Technical Operating Unit
TPAT	Technical and Policy Advisory Team
TTL	Task Team Leader (in the World Bank)
UNDP	United Nations Development Program
US	United States
USAID	United States Agency for International Development
WB&G	West Bank and Gaza
WSRC	Water Sector Regulatory Council
WSP	Water and Sanitation Program

Table of Contents

	Page
Acknowledgements	2
List of tables and graphs	3
List of Acronyms	4
Executive Summary	8
1. Introduction	23
1.1 Background	23
1.2 Rationale for the Evaluation	23
1.3 Lesson from other Trust Funds Evaluation	24
1.4 Objectives and Scope of the PID MDTF Evaluation	24
2. Evaluation Frame of Reference and Methodology	26
2.1 Frame of Reference for the Evaluation	26
2.2 Inception Phase	27
2.3 Data Collection Phase	30
2.4 Data Analysis and Reporting Phase	31
3. Analysis and Findings	32
3.1 Relevance	32
3.11 PID MDTF Objectives in the Palestinian context	32
3.111 Background on the PID MDTF Infrastructure sectors in the Palestinian context	32
3.112 Alignment with PA National Development Plan, and with the World Bank and Donor Strategies	33
3.12 Organization of activities to meet objectives	36
3.121 Detailed presentation of the Portfolio	37
3.122 Alignment of Activities with PID MDTF Objectives and Expected Outcomes	39
3.123 Lessons learned	41
3.2 Effectiveness	44
3.21 Effectiveness of the PID MDTF as a donor coordination mechanism	44
3.211 Pooling of Financial Resources	44
3.212 Pooling Human Resources	46
3.213 Influencing Strategies and Policies	47
3.214 Harmonizing procedures and contributing to capacity building	48
3.215 Coordinating for problem-solving and decision-making	49
3.22 Management Flexibility in program design and execution	50
3.221 Commitments and disbursement of funds	50
3.222 Adjustment of project objectives and design during implementation	52
3.223 Innovation and Cutting Edge Solutions	53
3.23 Effectiveness of the Results and Outcome Monitoring system	54
3.231 Effectiveness of the PID MDTF Monitoring and Evaluation System	54
3.232 Addressing Gender	55
3.233 Accountability	56
3.24 Lessons Learned	59
3.3 Management and Institutional Accountability	59
3.31 Cost efficiency and Absorptive Capacity	59
3.32 Transparency in grant allocations and reporting to donors	60

Partnership for Infrastructure Development Multi-Donor Trust Fund – PID MDTF
“Independent Mid-Term Evaluation Report”

3.33 Adequacy of Governance Structure for results and accountability	62
3.34 Communications and knowledge management	62
3.35 Lessons learned	64
3.4 Sustainability: Challenges for the PID MDTF	64
3.41 Sustainability of PID MDTF activity outcomes	65
3.42 The sustainability of the PID MDTF mechanism	66
3.43 Infrastructure investments in Area C	67
4. Conclusions and Recommendation	68
4.1 Main Conclusions	69
4.2 Recommendations	70
4.3 Going Forward	72
Annex 1: Disbursements of PID MDTF grants against TFGWB financing	74
Annex 2: Time Elapsed between PAD Submission and Grant Effectiveness	76
Annex 3: Bibliography	78
Annex 4: List of documents reviewed	87
Annex 5: List of people Interviewed	102
Annex 6: Terms of Reference	105

Executive Summary

Background

The Partnership for Infrastructure Development Multi-Donor Trust Fund (PID MDTF) is an instrument to pool funds and harmonize interventions aligned with the priorities for infrastructure of the Palestinian Authority (PA). It was established by the World Bank, in partnership with the Government of Sweden in June 2012, and became effective July 20, 2012. The PID MDTF was the first multi-donor TF to be established for the West Bank and Gaza that regrouped three infrastructure sectors. The mid-term evaluation was postponed to 2016 because of the late start of funding activities and the Gaza war of 2014, when the World Bank was involved in a major fund-raising effort to support reconstruction work.

In 2011-2012 when the PID MDTF was designed, the World Bank had six significant infrastructure projects under implementation and five under preparation, addressing major needs in water, waste-water and solid waste management, electricity distribution and municipal development. Many other bilateral and multilateral donors were also actively involved in those sectors through their own programs or under parallel and co-financing arrangements with the World Bank. There was a shared concern for the need to establish sector structures, institutions and capacities which would enable the PA, under the two-State solution, to deliver affordable infrastructure services efficiently to the population, and in a financially and environmentally sustainable manner.

Across sectors, common priority issues included sector reforms, with the separation of policy-making responsibilities to PA ministries from implementation responsibilities to relevant implementation agencies, and, for utility sectors, the establishment of a regulator and of private sector-led service providers. Other priorities included the strengthening of municipal governments, but also the building-up of economies of scale through the pooling of resources for certain services such as waste management through the Joint Service Councils (JSCs). Financial sustainability, with the long-term objective of achieving cost recovery, was deemed at the core of sector viability and involvement of the private sector, especially in the prevailing context of Occupation with Israel’s control of a large share of the PA’s fiscal resources, as well as consumers’ limited income, and donors dwindling aid allocations. The implementation context of West Bank and particularly Gaza is also severely impacted by restrictions on the movement of materials, goods and people.

Since 2012, little has changed in the underpinnings of sector priorities. However, one major event that affected the development of the PID MDTF was the Israeli-Gaza war of July 2014, which resulted in a considerable destruction of infrastructure, including some of the investments financed by the World Bank and other donors.

The PID MDTF program is structured with four financing windows corresponding to three Recipient-executed sector windows (water/sanitation; urban; and energy) with the fourth window for financing of Bank-executed analytical and advisory services on relevant issues, without any specific pre-ascribed sectoral or multi-sectoral application. The evaluation sample comprises 6 active projects, all of which include investment components, and almost all of which include institutional and capacity building components, and one closed project (a feasibility study).

Scope of the evaluation

The Evaluation team performed an independent review of the effectiveness of the PID MDTF for the first three and a half years of the PID MDTF, from July 2012, when the partnership was established, to the end of December 2015. As stated in the Terms of Reference (ToR) (Annex 6), the primary objectives of the evaluation were to (i) assess the effectiveness of the PID MDTF 2012-2015 activities, using its various implementation instruments (Recipient- and Bank-executed grants), and (ii) provide recommendations for the achievement of the program’s objectives and vision, as well as strategic direction. The evaluation was also to review how the PID MDTF structure has responded to the rapid growth following the war in Gaza, where the PID MDTF added five new donors and received US\$26.5 million in new contributions over a three months period.

Methodology

The frame of reference for the evaluation was based on four of the five basic Organization for Economic Cooperation and Development (OECD) criteria of relevance, effectiveness, efficiency (management and accountability) and sustainability. The Evaluation was guided by two basic questions: what were the issues at the time of conception? And what has changed during the implementation period?

The evaluation was undertaken in three phases (i) the inception phase, to plan and scope the evaluation and develop the evaluation tools, (ii) the data collection phase, which included extensive documentation review, interviews and field visits in the West Bank and Gaza; and (iii) the analysis and reporting phase, during which the team analyzed and synthesized all the collected data and prepared this evaluation report. The evaluation is based on a sample of seven of the 12 projects in the portfolio, representing 58% of the PID MDTF project portfolio and 82% of the funds allocated over the evaluation period.

Key Findings and Conclusions

Relevance

The development objectives set for the PID MDTF of improving the coverage, quality and sustainability of infrastructure in the West Bank and Gaza were, and remain, very valid and well aligned with the PA national priorities as detailed in the most recent Palestinian National Development Plan (NDP), particularly for strengthening local government capacity and accountability to prioritize their investment needs, to improve infrastructure service delivery and to improve their financial autonomy.

The PID MDTF objectives were also mirrored in World Bank strategies covering the period. These *inter alia* emphasize the need for infrastructure investments to be economically and environmentally sustainable through supporting infrastructure investments and implementation of sector reforms. The PID MDTF objectives are, however, more weakly aligned with the World Bank’s focus on the private sector, which is the second pillar of the strategy. Overall, the PID MDTF objectives are well aligned with PID MDTF contributing donor assistance strategies and sector priorities.

However, projects in the municipal development, water, waste water and solid waste management have proportionally benefited more than projects in the energy sector. This in part reflects the fact that development partners with the largest financial contributions have different sectoral priorities in their country programs, and also that the PA has not prioritized projects in the energy sector. This has caused some relative dissatisfaction of those donors who have a strong interest in the energy sector. It is worth highlighting that Gaza reconstruction became a unifying objective among donors and the PA after the 2014 war, and the rehabilitation and development of Gaza’s infrastructure sector continues to be a PID MDTF priority.

The organization of the PID MDTF activities into projects is consistent with what had been envisaged when it was established in 2012. The choice of activities for PID MDTF funding is consistent with the intended results of providing ‘improved and more sustainable water supply, sanitation, and urban services’, but falls short of expectations towards the PA’s needs and national priorities in the energy sector.

The PID MDTF’s results and outcome framework can be further improved. It is difficult to reconcile the formulation of PID MDTF expected outcomes with the development objectives articulated in the NDP or the higher level expected outcomes of the strategic pillars in the World Bank’s strategy note¹ which could be formulated as the improvement in social welfare, health and economic productivity as a result of improved water, solid waste management and electricity services or an

¹ Graph 1

increase in private sector participation in economic growth, one of the rationales for investing heavily in infrastructure. However, the evaluation recognizes that the PID MDTF projects do contribute to the NDP and World Bank strategic pillars, such as increased transparency and accountability in service delivery (Strategic Pillar 1.2) and improved access to services by the poor and marginalized (Strategic Pillar 1.3).

The implementation status and results reports (ISRs) do not document how the projects contribute to the precise development objectives of the PID MDTF as currently stated. As a result, it was not possible to evaluate how well aligned the results of project activities were with expected outcomes.

The attribution of results to the PID MDTF is difficult since the projects benefit from several funding sources, including World Bank co-financing as well as, in most cases, from parallel donor financing. PID MDTF must also be able to maintain the flexibility to respond to shifting priorities in a highly volatile operating environment with co-financing such as during the Gaza emergency. This implies a results and outcomes framework which is more strongly focused on outcomes at the level of beneficiaries and PID MDTF specific mission and implementation strategies rather than on the delivery of goods and services (outputs).

The PID MDTF does not yet have a fully developed programmatic approach either in each of its three sectors or across the sectors. The PID MDTF is a portfolio of projects, which mostly provide additional finance (AF) to World Bank-financed projects. Although only one study has been undertaken under the fourth window (analytical and advisory activities) - the Feasibility Study for the North Gaza Emergency Sewage Treatment (NGEST)-Solar Plant - projects often include analytical and advisory assistance components. However, a Results Framework at program level will effectively transform the PID MDTF into a program.

Effectiveness

The PID MDTF has been quite successful in pooling donor resources. The PID MDTF has had a six-fold increase in 3.5 years, reaching US\$108 million by end December 2015 with eight contributing donors.

The PID MDTF is seen as a strong emergency funding mechanism with three new donors joining the pool immediately after the Cairo donor conference, and with PID MDTF emergency projects approved and under implementation within two months. From the World Bank perspective, the PID MDTF has been a useful instrument to leverage limited financial resources to support the PA program in the infrastructure sectors, achieving 1.88 leverage in its resources for the current 12 PID MDTF projects.

Donors and recipients interviewed stressed their appreciation of the quality and broad range of competencies that the World Bank makes available to prepare and

supervise projects: sector policy knowledge, technical expertise, financial competencies, and sensitivity to social issues. Altogether, donors see the pooling of resources into the PID MDTF as an effective way to manage their bilateral assistance in the three PID MDTF infrastructure sectors. Donors interviewed also highlighted the Bank’s positive role on sector coordination amongst donors, especially as compared to the Local Aid Coordination Secretariat (LACS) process. Donors trust, and show respect for, the rigor of the World Bank’s procedures, in particular on procurement. There is also recognition of the improvements in partners’ implementation capacity thanks to the World Bank’s diligence during project supervision mission in guiding implementation agencies in good technical, financial, and administrative management practices.

The PID MDTF donor coordination processes are seen as efficient in addressing project issues. World Bank Task Team Leaders (TTLs) have also strived to associate to their mission donors who are not contributors to the PID MDTF but who are significant players in the same sectors and can undertake complementary activities. Good examples are provided with United States Agency for International Development (USAID), United Nations Development Program (UNDP), the European Commission (EC) and Germany. This is an additional way to mobilize resources for the projects. Recipients interviewed also expressed their satisfaction from what they have gained from their interactions with the World Bank and the PID MDTF. The main gain is seen in the harmonization of procedures with the use of World Bank procedures, regardless of the source of funds into the MDTF, as compared to potentially dealing with nine sets of procedures (eight donors plus the World Bank).

The PID MDTF has been instrumental in fostering a coordinated dialogue with Israel. Although actual progress towards finding solutions to implementation problems is slow, there is a feeling that that the World Bank’s ‘aura’, in its coordinating role under the PID MDTF, has been influential and has helped to find or make progress towards solutions. World Bank TTLs have strived, in some cases, to bring influential non-PID MDTF donors in for specific and particularly intractable issues.

The PID MDTF has not been so effective at promoting a pace of PA decision-making process at the national and sectoral level which would better support PID MDTF project portfolio implementation. As a result, project implementation timelines have been impacted, sometimes significantly, reducing the effectiveness, efficiency - and ultimately the impact of the project portfolio. However, donors balance the clear benefits of the PID MDTF mechanism in terms of administrative efficiency and increased sector harmonization against the desire to have greater perceived leverage with their PA partners to meet their own assistance priorities and political imperatives.

The allocation of PID MDTF grants is supported by standard World Bank preparation processes. Disbursement rates are generally aligned with projected disbursements. Some donors expressed their concern that disbursements were

slow, particularly for the emergency response projects in Gaza but others acknowledged that the preparation time required to launch quality small scale infrastructure projects, which involve significant rehabilitation or reconstruction work, is extensive and also that many of the implementation impediments are externally driven. Disbursements figures are also likely to differ across projects, depending on the nature of the specific activities financed.

PID MDTF disbursement rates are systematically somewhat lower than World Bank Trust Fund for Gaza and the West Bank (TFGWB) disbursements. There are several reasons for this. The World Bank TFGWB is disbursed against older contracts since for any given project co-financed under the PID MDTF, the Grant Agreement the World Bank is signed first, as a basis for any co-financing agreement. As a result, the World Bank TFGWB funds are the only funds available for project implementation start-up activities. Furthermore, there is a need to keep up disbursements for the World Bank TFGWB at the risk of not receiving the same level of allocation the following year.

As it is used to leverage World Bank resources, **the PID MDTF enables the design of bigger and more relevant projects, to achieve more significant results in a shorter time.** The PID MDTF also has the flexibility to adjust project development objectives and/or design during implementation. When new needs emerge during implementation, in-line with standard World Bank restructuring rules, funds can be reallocated to new activities within the same project if they are within the scope of the original project development objectives. If need be, the project development objectives can also be amended as was the case for the Gaza emergency financing.

PID MDTF projects in both the water and urban development sectors have windows or activities promoting innovation and learning which have been used to pilot un-tested approaches in the sectors. The lessons these pilots generate have helped inform sector policy development and sector sustainability strategies. The PID MDTF has also been able to leverage AF to support improved sustainability of municipal services through the Global Program for Output Based Aid (GPOBA).

Overall, the results and outcome monitoring system is transparent but could be more informative, and more clearly linked to needed strategic and operational decisions. The link between the Key Performance Indicators (KPIs), the performance and progress towards meeting project development objectives ratings, and the next steps of actions or decisions can generally be established. The link is not always clearly articulated in the documents reviewed such as Aide-Memoires, except for technical activities, for which procurement action, e.g., for works or services are clearly laid-out.

Gender was raised by most donors during the Evaluation interviews but **is not systematically addressed in depth in the PID MDTF portfolio.** Some efforts have been invested by PID MDTF projects in mainstreaming gender in activities. Although the gender results from such actions are not systematically reported, the Beneficiary

Satisfaction Surveys conducted for the MDLF included women in the samples of interviewees and reported their views. The Environmental and Social Impact Assessments and Action Plans are often the entry point for addressing gender issues by reporting on the number of females potentially impacted by services or changes in livelihood situation created by project implementation. The Evaluation took note that the Bank’s Gender Action Plan for Palestine is currently being updated and is to include a specific tracking system for the PID MDTF co-financed operations.

Using the standard World Bank accountability tools and processes is not sufficient to secure donors’ satisfaction with and engagement in the program.

The PID MDTF financial accountability system for recipient-executed grants is quite rigorous and transparent. In all the projects in the Evaluation sample, financial accountability is rated satisfactory: financial and accounting systems are in place, reporting is timely, and audit reports are unqualified. Environmental accountability is systematically addressed in the PID MDTF project portfolio and implementation of the resulting Environmental and Social Action Plans have been robust, even resulting in procurement delay in Gaza, when the payment of compensation for land owners was delayed by the Ministry of Finance for over one year.

However, **the social accountability approach adopted by the PID MDTF varies across projects.** The approach in projects in the urban development sector, in which civic engagement and outreach by municipalities are fully integrated into project activities and results frameworks, is not replicated in PID MDTF projects in the water sector, despite the recognition that absence of public behavior change is a key risk to longer-term sustainability of water sector infrastructure. The impact of the social accountability approach in PID MDTF projects in the urban development sector are mixed, but water sector projects lack even a baseline from which to begin to monitor progress in this critical area. The Evaluation noted that the Bank is scaling-up its support to enhanced Citizen Engagement and Social Accountability across the portfolio, including the water sector and other operations that would be eligible for co-financing under the PID MDTF to address the gaps identified.

Management and Institutional Accountability

To date, **the management of the PID MDTF is definitely cost effective, from the perspective of the World Bank, of the donors, and of the recipients.** Management costs so far are well below 1% of total project costs, which compares very favorably with the costs of other MDTF’s operating in Palestine. This does not, however, reflect the real costs of administering the program. Most of the management and administrative costs have been absorbed into the regular budget of the World Bank for project appraisal, supervision and analytical and advisory activities (AAA) as most of the PID MDTF grants are co-financed projects with the World Bank TFGWB. The rate of disbursements of the grants is fairly low, while at the same time, donors are requested to renew or increase their contributions. This replenishment imperative is

driven by the procedures of the World Bank, which requires that all funding must be fully secured before any project is approved.

The grant allocation process is quite transparent. Total funds available for any project are the sum of Bank funding from the TFGWB, at times parallel donor financing, and the PID MDTF. Final allocation decisions are made by the Country Director in close dialogue with the teams and are a function of priority, funding needs and fund availability. Some recipients expressed an interest in understanding better the PID MDTF grant allocation process to facilitate the subsequent management of resources. Grant disbursements and grant allocations are not linked.

The reporting systems to donors are also quite transparent, if not always user-friendly. The World Bank is supposed to provide periodic progress reports, an Annual Report on the progress of activities and a financial report. Although donors affirm that the reporting has improved over the evaluation period. These reports do not always contain sufficient information for the donor agencies to prepare public disclosure reports for their constituencies on the use and benefits from their contribution through the PID MDTF. The Bank has recognized the need for additional upgrading and further improvements are underway.

A more dynamic governance structure would help engage the PA and donors on strategic policy and programmatic decisions. The Governance structure of the PID MDTF is very simple, and fine in principle, but the current Governance arrangements of the PID MDTF do not fully respond to donors’ expectations. The shortcomings identified relate to the conduct, frequency and content of the meetings. All donors feel that the PA is not sufficiently engaged, and that its ownership of the PID MDTF is not visible. **The OG meeting agendas prepared by the World Bank are not always well aligned with donors’ expectations although the agendas prepared by the World Bank are sent in draft to development partners for suggestions of additional agenda items.** Agenda items include straightforward reporting on the implementation progress of projects and a presentation of the Annual and Financial report. Donors expect to engage in a strategic discussion and policy dialogue. They expect the OG meeting of the PID MDTF to be a mechanism to agree on the priority issues to be addressed either through the World Bank or through their own senior level bilateral dialogue with PA institutions. The Bank is proposing to have more frequent meetings (bi-monthly) separate from the regular bi-annual OG meetings, to update PID MDTF donors on sector and policy issues.

A more structured communications strategy, including knowledge management, would help leverage the World Bank’s expertise and commitment to the group of donors and other experts who are keen to see concrete results and outcomes, as well as innovation, from a program which is so important for improving the welfare of the Palestinian population and to build Palestinian institutions. Communications between the World Bank and contributing donors can be improved. This is recognized by the Bank, who is proposing to have more frequent meetings with

donors and, in particular, to strengthen policy dialogue and PA engagement through more regular updates to development partners.

Communications between contributing donors and the World Bank staff are very good at the personal level and with mission teams, and the transition of TTLs is seamless. However, communications are poor at the institutional level. Because of the lack of policy dialogue in OG meetings, some donors feel uninvolved and insufficiently associated with decision making on the strategic directions for the PID MDTF. There is also a feeling that the World Bank does not follow-up on the issues they raise, such as the weakness of the result framework and the insufficient attention paid to gender. Donors are well satisfied with the efforts exerted by the World Bank to bring Gaza implementing partners to the West Bank for regular information exchanges to mitigate the lack of a regular presence in Gaza. However, concerns were expressed to the Evaluation team that the World Bank also appears unaware of donors’ own constraints such as obtaining permits for Gaza at short notice, which limits their ability to participate in joint donor missions

Communications with non-contributing donors can also be improved. Several donors in that category had not heard of the PID MDTF even when they are active in the same projects through bilateral financing, or when they have worked closely with the World Bank to address some of the issues. This can be attributed to staff rotations within development partner staff and the Bank has expressed its intention to reach out more regularly. The Bank is also proposing to invite non-PID MDTF donors to the bi-monthly meetings which will address knowledge sharing and sector-specific policy issues

More significantly, there is a concern that the World Bank uses the PID MDTF to promote the introduction of financing instruments in the West Bank and Gaza, which are still regarded as controversial by development partners. The most vivid example brought to the attention of the Evaluation team is the proposal to use a new financing instrument –*the Program for Results (PforR)* - for the next phase of the Municipal Development Program (MDP). The Evaluation recognizes that the Bank has only a few financial instruments to implement its program in the West Bank and Gaza. The Bank pointed out that decisions on the financing instrument are made by the PA in consultation with the Bank and based on the type of activities to be financed, and PID MDTF co-financing follows the financing instrument of the original grant. Nevertheless, in spite of extensive discussions in 2014-2015 on the PforR, PID MDTF donors have echoed, to some extent, the concerns expressed during the public consultations on this new instrument and reflected in the Board discussion. In spite of the World Bank’s briefings, before using this financing instrument for PID MDTF projects, the donors would like to see an evaluation of where the PforR has worked and how it has worked. Such a report *Program for Results Two-Year Results*, dated March 17, 2015, exists and the World Bank has shared it before but said that it will make it available to the PID MDTF donors again.

Knowledge sharing across the MDTF portfolio also merits some improvements.

Associating donors and implementing partners to share knowledge could strengthen the sense of working within the same program and also benefit implementation partners of other projects, or which could benefit the design of future projects in the West Bank and Gaza or other countries. The Evaluation took note that the Bank intends to address this issue.

Sustainability

Assessing the sustainability of the PID MDTF projects is not within the full purview of this Evaluation. It would require a deeper analysis of the overall situation in West Bank and Gaza, in particular on the prospects for a radical change in the economic situation, as well as in the political relationship of the PA with Israel. It would require also a deeper analysis of the projects, which was not the objective of the Evaluation. However, the evaluation did undertake a comparison of risks articulated in the original PID MDTF Concept Note with its own assessment of the magnitude of the risks at mid-term based on a review of the projects sampled and interviews conducted over the course of the Evaluation.

The sustainability of the PID MDTF mechanism is contingent upon the attractiveness of the mechanism to donors. The mechanism provides the great advantage of management and efficiency for donors. It also provides a superior level of technical support to project portfolio design and implementation and has demonstrated its effectiveness in donor coordination, both in emergency situations and also in longer- term initiatives. There is a clear and increasing donor demand for an effective coordination mechanism in and across the three sectors currently covered by PID MDTF.

However, **the weak ownership of the PID MDTF process by the PA is worrisome, although the Bank reports that PA involvement has increased.** The Evaluation did take note that line ministries have a strong ownership and commitment in the sectors and do not necessarily distinguish between the different TFs providing sector financing, but rather engage directly with the donors active in the sector including PID MDTF donors. An additional area of concern for the donors is that the PID MDTF does not yet provide them with a more strategic instrument and platform to engage in policy dialogue on strategic issues of the sector, the reform process in particular and what they as development partners can contribute to the process. Donors want to be better informed on developments in relevant sectors and more involved in resource allocation and policy decisions at a more strategic level. They also seek a multilateral platform that can generate collective messages that can be used for their own bilateral needs, both with the PA and with their own domestic constituencies.

The PID MDTF should also consider the implications for the longer-term sustainability of infrastructure investments of the constraints imposed by Israel

through its control of Area C. The case of the PID MDTF supported Al Minya landfill, where the Palestinian implementing partner is reluctant to accept fees for Israeli settler use of the service, is prejudicing the medium and long-term cost recovery of the operation of the landfill, including the viability of the contract with the private sector operator.

Main Conclusions

The conclusions are focused on the issue of the room available for improving the efficiency, transparency and quality of the program in order to maintain the attractiveness of the PID MDTF mechanism.

The PID MDTF is a major achievement in terms of improved aid coordination and harmonization, through donor fund pooling and streamlining of bilateral aid administration through a common framework of fiduciary management, reporting and evaluation. PID MDTF has also upgraded and enriched donor coordination in two of its three infrastructure sectors and enhanced and sustained cooperation with non-fund donors.

The PID MDTF has proved to be a valuable instrument for the World Bank and participating donors to respectively leverage their funding to the water and urban sectors, and keep their engagement when confronted with limited or dwindling aid resources. The pooling of human resources and the capitalization of World Bank expertise is a great asset of the PID MDTF. The flexibility and efficiency of the PID MDTF has also demonstrated its comparative advantage as an emergency funding facility.

The Program has demonstrated it’s value-added for the reform process in water and urban development. The projects in the PID MDTF portfolio are definitely relevant and effective towards achieving the objectives of the PA NDP and PA institutions for capacity building and environmental protection; it is also relevant and effective to achieve the World Bank and donor strategies, in particular on governance, environmental protection, and the delivery of improved infrastructure services. Most importantly, the PID MDTF projects have benefited the Palestinian people in West Bank and Gaza, who have already experienced positive welfare outcomes from improved service delivery. The PID MDTF also has strong comparative advantages with other multi-donor platforms in the areas of technical quality of programming (global experience and good lessons), fiscal transparency, and efficiency of operation and in certain cases, effectiveness.

The PID MDTF has not yet reached its full potential but this can be resolved if a way can be found to use the governance structure for a more effective dialogue with the PA on priorities for reforms and investments, to improve the identification of expectations through a clearer results and outcomes framework, and to communicate better with current and potential donors. Looking forward, the PID

MDTF could also consider new directions, such as including private sector donors, introduce a competitive window for innovation, and adding such an important infrastructure sector as transport.

The PID MDTF continues to be faced with major risks, which may affect the long-term viability of the mechanism as well as the sustainability of the projects it finances. These risks include the lack of PA engagement, and the lack of leverage on Israel. The PID MDTF donors, even collectively through a mechanism like PID MDTF, have little leverage on Israel. In order to have leverage, you need a partner who has a stake in the partnership. You need a partner who wants to cooperate. Other risks include the uncertain financial sustainability of the investments due to lack of economic recovery to reach full cost recovery for services and the lack of civic engagement to pay the bills for services.

Recommendations

The Evaluation has two strategic and three operational recommendations. The two strategic recommendations are the following:

- 1. Position itself as a recognized leader on infrastructure policies and reforms vis-à-vis such potential partners as the Quartet, Israel, USAID and other donors (Turkey, Qatar).** This would include developing its capacity for more effective representation to Israel. As a trust-worthy partner under the leadership of the World Bank, the PID MDTF could have a transparent protocol on the processes to advance sustainable solutions for infrastructure investments, thereby facilitating implementation and reducing donors’ collective frustration at the opaqueness of the current situation.
- 2. Strengthen the PID MDTF from a collection of projects to a true program, with clear strategic objectives, and a programmatic results and outcome framework** with appropriate KPIs, including gender. As part of the upcoming preparation of the Bank’s Assistance Strategy for Fiscal Year (FY) 18-20, during which the Bank proposes a close consultation with development partners, including on the strategic direction of the PID MDTF, a simple strategic document (more strategic than the initial Concept Note) for the PID MDTF could provide the foundations for the preparation of a 4-year ‘business plan’, with clear funding and fund-raising objectives. The Business Plan would be adjusted every two years as the World Bank revises its strategy. The preparation of such a short document is timely as the World Bank has recently proposed to the donors to extend the MDTF from 2018 to 2022, and the World Bank is already carrying out sector analytical work in water², urban development³ and energy⁴. A revised results

² Water Sector Aide-Mémoire dated 2016

³ Preparation of MDP 3 – Interview with TTL

⁴ Palestinian Energy Brief MDTF, September 19 2016.

and outcome framework at program-level would allow complete response flexibility, could usefully attribute PID MDTF achievements, help guide the determination of criteria for grant allocations, and support a program rather than project approach.

This implies that the PID MDTF’s current objectives would need to be articulated at a higher level of development impact. The framework could address and measure the more overarching objectives of the instrument itself from the perspective of the World Bank and its development partners, such as: enhance development financing through fund pooling, operational leveraging; better alignment of donor assistance with PA priorities for infrastructure; provide a platform for policy-focused sectoral discussions and knowledge exchange; optimize efficiency of implementing partners’ portfolios and reduce the administrative burden on PA institutions; and, where relevant, influence sector policy and strategies, increase client capacity, and generate innovative solutions. At the same time, end-of-project beneficiary surveys (following the MDP example) could strengthen and harmonize the focus on project outcomes (e.g., improved access to utility services, equal access regardless of gender or location, improved and more sustainable quality of life, increased private sector participation) regardless of the project level objectives. Such a framework could measure both project and PID MDTF performance and impact, ensuring attributable achievements relevant to PID MDTF’s overall mission and implementation strategies. The Results Framework would provide the foundations for a Business Plan, which would further elaborate thematic areas⁵ for PID MDTF based on past and future interventions, feedback from the PA and donors, and evident gaps in existing tools and programs. The Business Plan would be adjusted every two years as the World Bank revises its strategy.

The Evaluation makes the following three operational recommendations:

- 3. Set up a communications strategy**, that would include a smartly designed website, to facilitate knowledge sharing, periodic reporting both on projects or on specific issues and on key implementation milestones, links to key documents and a donor-restricted data base, and the publication of ‘success stories’ that donors could use to satisfy their constituencies. This would also improve the overall sense of transparency with which the PID MDTF is run. The PID MDTF should also organize knowledge-sharing events and advocate more visibly and vocally for the PID MDTF at donor forums, informal meetings, field visits, and through press releases, as a mechanism that can strongly support sector reform, promote the sustainable development of PA institutions, and serve the priority needs of the Palestinian people and their economy. The Evaluation took note of the Bank’s intention to develop and implement such a communications strategy

⁵ It is hard for the Evaluation to make more concrete recommendations on this as the Evaluation team does not know which thematic areas the World Bank will retain in its strategy.

and to engage with non-contributing PID MDTF donors more regularly, including inviting them to the proposed bi-monthly meetings (see below).

- 4. Hold more frequent and more policy-focused sectoral meetings to engage donors in policy discussions and broaden these meetings to include non-PID MDTF donors.** Strengthened cooperation with non-contributing donors such as USAID and Japan is critical to address strategic issues in the infrastructure sector. USAID has a huge program in West Bank and Gaza and very close ties to the PA and to Israel. There is much to learn from them, and possibly enlist them in common action to facilitate the implementation of infrastructure programs and address key sector concerns particularly in the water sector with the PA and Israel. The evaluation recognizes the limits of the scope of the PID MDTF in aid coordination and acknowledges the current aid coordination architecture already in place through the LACS process, which is directly supported by many of the PID MDTF donors. Recommendations from the recent LACS evaluation may help to inform the form and content of these proposed PID MDTF policy-focused sectoral meetings (see below).

The Evaluation initially recommended that the OG consider setting-up an Executive Committee of donors (with 2-3 members, with rotating composition from year to year) to work with the World Bank on strategic issues before OG meetings. Such a Committee would secure participatory donor engagement beyond sector issues as it would prepare positions on the strategic options for the PID MDTF and possibly review the proposed additions to the grant portfolio. However, feedback from the World Bank and Donors at the Annual OG meeting in October 2016 highlighted the need not to overburden the OG and keep the participation in the OG meetings at a reasonable level. In order to avoid a heavier bureaucratic structure, such preparatory work could be done through the periodic sectoral meetings proposed. The OG should continue to meet formally at least once a year, and, in addition, hold 2 or 3 *ad hoc* meetings as needed, to address specific issues (sector reforms, net lending, lending instruments etc.). A stronger and more strategic participation from the PA in OG meetings would assist the PID MDTF to better harmonize its interventions with PA priorities across the three sub-sectors targeted. The evaluation recognizes, however, that the PID MDTF cannot replace the policy making bodies of the PA. These proposed policy-focused meetings guided by the World Bank, would be major steps forward in terms of oversight efficiencies, and strengthen the design and scope of the PID MDTF.

- 5. Expand the grant portfolio to include more analytical work.** Besides doing more work in energy (including renewable energy and energy efficiency) and other sectors, it would be worth considering using the MDTF as a learning facility which would do more analytical work on sector issues, or on such cross-sectoral issues as net lending, decentralization and the potential viability of local governments, and municipal tariffs across utility services (water, solid waste, energy etc.), and

gender in infrastructure. The Evaluation took note of the work underway to grow the analytical portfolio.

Going forward

Recognizing that much work still needs to be done to strengthen the PID MDTF, the Evaluation reflected on elements to develop a longer-term vision for the PID MDTF. These include:

The PID MDTF could consider inviting the private sector to be associated to the platform as an investor to the infrastructure sector. It could be a venue for the rich Palestinian Diaspora keen to contribute to the development of Palestine. The experience of the World Bank in Public Private Partnerships (PPP) in the energy sector for example is well documented through the Energy Sector Management Assistance Program (ESMAP) and other infrastructure programs.⁶ This would be aligned with the World Bank’s strategy for the West Bank and Gaza to get the private sector more heavily involved. Private sector involvement might include the private sector identifying an infrastructure need in line with PA priorities which could be met by a privately financed project or an innovative proposal for infrastructure management. The PID MDTF could be involved through financing PA contributions to the PPP such as land acquisitions, output based aid subsidies and consultants under the AAA window as transaction advisers.⁷ New financial instruments such as World Bank PPP guarantees could also be introduced.

- **The PID MDTF could also consider a new competitive window to invite innovations in infrastructure development and management.** This might interest the private sector, who may be more interested to join the MDTF as a donor⁸ if there was a clear opportunity for supporting innovation in the sector. Requests for such proposals would need to be responsive to key issues emerging from implementation experience, to avoid fragmentation in small scale initiatives and dispersion of resources available across the key strategic sectors under the PID MDTF.
- **The PID MDTF could consider expanding into new sectors.** This may be particularly pertinent in the transport sector, as USAID’s role in road transport will be ‘diminishing rapidly’ as budgets are receding to normal levels. Of course, any expansion would have to be matched with additional resources and would need to support the overall Bank’s Assistance Strategy to remain selective and leverage the Bank’s comparative advantage in Palestine.

⁶ <http://www.esmap.org/esmap/node/55655>.

⁷ [https://ppp.worldbank.org/public-private-partnership/library/...](https://ppp.worldbank.org/public-private-partnership/library/)

⁸ Various private sector companies contribute to donor trust funds managed by public institutions, either from their budgets (with tax deductions) or through their own non-profit organizations set-up under their social corporate responsibility policies.

1. Introduction

The present report provides the results of the Mid-term Evaluation of the Partnership for Infrastructure Development Multi-donor Trust Fund - PID MDTF. The work was carried out by AWRAD, a Palestinian Research Group contracted in June 2016 by the World Bank, the administrator of the PID MDTF.

After this introduction, section 2 presents the approach and methodology used for the Evaluation and Section 3 presents the detailed findings. The analysis is presented in accordance to the main evaluation criteria: relevance, efficiency, management and accountability, and sustainability. Finally, Section 4 presents the conclusions and recommendations of the Evaluation for the continuation of the PID MDTF.

1.1 Background

The PID MDTF was established by the World Bank, in partnership with the Government of Sweden in June 2012. The MDTF became effective July 20, 2012.

The idea of establishing a multi-donor TF for infrastructure development was initially inspired by the multi-donor TF established for the reconstruction of Aceh (Indonesia) after the 2004 Tsunami⁹. It was deemed that the circumstances prevailing in 2012 in the West Bank and Gaza would lend themselves to establishing both a consolidated infrastructure program and a multi-donor TF. Three issues dominated. The first issue related to a growing desire among donors in the infrastructure sectors for better streamlining of their activities, partly as a result of aid budget cuts which impacted their staff and administration budgets. Secondly, donors were looking for a greater harmonization and efficiency of their aid portfolios through a more strategic planning process for financing infrastructure investments, a pooling of resources and the adoption of common strategies and administrative systems.¹⁰ And thirdly, the need for an effective and nimble emergency mechanism that could respond to emergencies in the Palestinian infrastructure sector had been evident for some time following the 2008 and 2010 wars in Gaza, where bombing had generated a huge amount of destruction.

1.2 Rationale for the Evaluation

The PID MDTF was the first multi-donor TF to be established for the West Bank and Gaza that regrouped three infrastructure sectors. Given its novelty, the Concept Note indicated that there should be a mid-term evaluation, about 18 months after

⁹ Interview with World Bank staff

¹⁰ Interviews with all donors and the LACS officers themselves indicate that the current donor coordination architecture is unable to perform. A review of LACS has been recently undertaken in a bid to improve its role.

the setting-up of the TF “to assess the effectiveness of the financing modality”. Two main factors led to postponing this evaluation until 2016:

- the late start in funding activities: although Sweden contributed to the fund in 2012, the first project allocation took place only in July 2013, coinciding with the completion of negotiations of the Second Municipal Development Project (MDP-2); and,
- The Israel-Gaza war in July 2014 which led to a major fund-raising effort in October 2014, a part of which was directed to the PID MDTF.

1.3 Lessons from other Trust Funds’ Evaluations

In order to benchmark the performance of the PID MDTF, the Evaluation team reviewed a number of TF evaluations done by the Independent Evaluations Department of the World Bank or by independent consulting teams, including evaluations of other multi-donor TFs (see Annex 3 Bibliography). The Evaluation team also reviewed documentation of some other multi-donor TFs managed by the World Bank, such as the Middle East and North Africa (MENA) MDTF established in 2015, to provide catalytic donor support for (i) governance, (ii) economic and social inclusion, (iii) private sector-led job creation; and, (iv) shared and sustainable growth, in line with the World Bank regional strategy.

Lessons learned from previous evaluations on the factors of success of Multi-donor TFs include:

- Very clear mandates and objectives: this is the case of the MENA MDTF and TFs set up for reconstruction purposes (Afghanistan, Aceh) or unique thematic areas such as ESMAP for Energy, Water and Sanitation Program (WSP) for water, and Cities Alliance, for urban development.
- Good alignment and integration with the country national development efforts and priorities and strong partnership with the recipient country.
- Good alignment with the World Bank’s country strategies.
- Very good donor coordination and involvement on the ground.
- Very good communications strategies and tools, such as websites (e.g. TF for Afghanistan and Aceh). And,
- Clear Program Results and Outcome Frameworks (WSP, MENA MDTF).

1.4 Objectives and Scope of the PID MDTF Evaluation

As specified in the terms of reference (ToR), the Evaluation covers the first three and a half years of the PID MDTF, from July 2012, when the partnership was established to the end of December 2015. The objectives of the Evaluation are:

- (i) To assess the overall relevance and effectiveness of three years of PID MDTF program activities (2012 to 2015) implementation, through its various funding instruments;

- (ii) To assess the expected impact of the PID MDTF as well as how the PID MDTF structure and implementation tools have coped with to the rapid expansion of funds and donors following the war in Gaza in 2014; and
- (iii) To derive recommendations from this assessment, which will enable the program to achieve its objectives moving forward and to realize its vision and strategic direction.

The Evaluation was guided by two basic questions:

- (i) **What were the issues at the time of conception?** This question leads to review the following main sets of questions: was the vision appropriate at the time, were the objectives clearly identified to achieve the vision, was the design content appropriate to achieve objectives and vision, were the implementation arrangements (governance structure and processes, internal accountability measures, choice of implementing partners etc.) appropriate?
- (ii) **What has changed during the implementation period?** This question leads to the following set of questions: Have these changes created the need to change the vision and/or to adjust the program design/content and implementation arrangements?

The Evaluation addressed the questions specified in the ToRs and presented concisely in each section; the questions were detailed in the Inception Report dated June 29, 2016¹¹.

¹¹ AWRAD Inception Report dated June 29, 2016, vetted by the World Bank August 15, 2016, and circulated to the donors August 16, 2016.

2. Evaluation Frame of Reference and Methodology

This section describes the frame of reference and the methodology which were adopted for the Evaluation (Section 2.1), and the three phases of the Evaluation (Section 2.2-2.4): the Inception Phase, the Data Collection Phase and the Data Analysis Phase.

2.1 Frame of Reference for the Evaluation

The Evaluation was requested to use three basic criteria: relevance, effectiveness, and management and accountability. These are a standard adaptation of the OECD frame of reference for evaluating development assistance¹²:

Relevance	Is the intervention doing the right thing? How important is the relevance or significance of the intervention regarding local and national requirements and priorities?
Effectiveness	Are the objectives of the development interventions being achieved? How big is the effectiveness or impact of the intervention compared to the objectives planned (Comparison: result – planning)?
Efficiency	Are the objectives being achieved economically by the development intervention? How big is the efficiency or utilization ratio of the resources used (Comparison: resources applied – results)?
Impact	Does the development intervention contribute to reaching higher level development objectives (preferably, overall objective)? What is the impact or effect of the intervention in proportion to the overall situation of the target group or those effected?
Sustainability	Are the positive effects or impacts sustainable? How is the sustainability or permanence of the intervention and its effects to be assessed?

The question of efficiency was subsumed in the Management and Accountability criteria. Since this is only a mid-term evaluation, the impact and sustainability criteria were not included in the ToR. However, the Evaluation team proposed to provide an initial assessment of the question of sustainability (see Inception Report).

2.2 Inception Phase

¹² OECD Guidelines for Project and Program Evaluation Criteria, 2009.

Four tasks were carried out during the Inception Phase, which are summarized below.

A Preliminary Review of the Documentation assembled by the Evaluation team and/or made available by the World Bank. This included a review of the PID MDTF documentation and of other documents relevant to the Evaluation, namely the national and sector or thematic strategy and policy documents from the PA, the World Bank, and donors active in the West Bank and Gaza, whether they are donors to the PID MDTF or not.

A kick-off meeting was held on June 14, 2016. The main questions discussed included:

- The availability of documentation.
- The importance for the Evaluation to capture lessons learned, mostly from donors or institutions that have been associated with the PID MDTF for a long time. The World Bank also clarified that the biggest achievement of the MDTF is the shift from stand-alone, single-donor TFs, which could not provide sufficient flexibility or sector targeting to a single TF for all donors with much targeted sector objectives.
- The alignment of all World Bank operations with the PA NDP.
- The rationale for the MDTF: the World Bank stated the growing understanding at the time (2011-2012) that single-donor TFs are less effective than a multi-donor TF, which is more able to respond to crises (ex: Gaza War). The World Bank also cited the MDTF’s greater flexibility to address cross-sectoral issues, e.g., water and urban development, and its ability to allocate funds more effectively.
- The range of stakeholders to be interviewed, including the Quartet and the private sector, Ad Hoc Liaison Committee, World Bank TTLs.
- The selection of projects for in-depth analysis and field visits (see below).
- The functioning of the Oversight Group (OG).
- The process of resource allocation from the MDTF (all projects follow the standard World Bank guidelines for project preparation, approval and supervision).
- The availability of consolidated data on the PID MDTF.

Refining the Methodology & Preparation of the Inception Report.

Following the kick-off meeting, AWRAD prepared the detailed methodology which was included in the draft Inception Report, commented on by the World Bank with the authorization to start the field work, and finalized by Mid-August 2016.

Project sample. Seven projects were selected for in-depth review, six active projects and one closed project, representing 58% of the 12 projects to which funds have been allocated since the beginning of the MDTF; the selected projects are listed in

Table 1. Except for one project closed, the Bank-executed NGEST Solar Power Feasibility Study, all other projects are still active. Two projects are both in West Bank and Gaza, one is in the West Bank only, and the other 4 are in Gaza only. Only one project is Bank- executed, the others are recipient-executed. In addition, the Evaluation looked at the grant allocation for project management and administration (which has both a project number and a TF number). The funds allocated to the projects (US\$56.35 million) in the sample represent 82% of the funds allocated to the 12 projects in the portfolio (US\$69.0 million). The size of funding allocations was one of the criteria for project selection. Two projects are large (above US\$10.0 million), two are medium-size (US\$5.0-10.0 million), and three are small (less than US\$5.0 million). The designations of large, medium and small do not reflect the full project size, which includes co- and parallel financing. These designations only reflect the relative size of the PID MDTF contributions to the projects within the sample. For example, full project value of the Third AF for the North Gaza Emergency Sewage Treatment (NGEST) Project is US\$89.50m, which is the largest project in terms of value while the PID MDTF commitment at US\$5m is categorized as ‘medium’. Table 1 provides the full project costs of the sampled projects for comparison.

Table (1): Project Sample

Project ID	Project Name	Thematic area	Size	Implementing partner	Location	Grant Agreement date	Grant Closing Date	PID MDTF Grant Amount US\$ Million	Total Project Cost US\$ (Million)
P 127163	Second Municipal Development Project (MDP-2)	Urban Development	L	MDLF	WB & G	26-Mar-14	30-Jun-17	25.8	74.85
P 152523 (child of P127163)	GZ Emergency Response AF MDP-2	Urban Development	L	MDLF	Gaza	10-Dec-14	28-Feb-18	12.0	21.00
P 154102	Southern West Bank Solid Waste Management Project	Urban Solid Waste	S	Joint Service Council/Hebron and Bethlehem	West Bank	14-May-15	30-Jun-16	1.5	38.00
P 149853	NGEST Solar Power Feasibility Study	Energy	S	Bank-Executed	Gaza (North)	Jul-2015	31-Mar-16	0.15	0.15
P 130100	PID MDTF Program and TF Management		S	Bank-Executed	WB&G		31-Aug-22	0.2	2.07
P 117443	Water Sector Capacity Building Project	Water Supply and Waste Water Management	S	PWA	WB&G	2-Jun-14	31-Dec-17	3.0	12.00
P 074595	Third Additional Financing for the North Gaza Emergency Sewage Treatment Project	Water Supply and Waste Water Management	M	PWA	Gaza (North)	8-May-14	31-Dec-17	5.0	89.5
P 151032	Gaza Emergency Water Supply and Sewage Systems Improvement Project Additional Funding	Water Supply and Waste Water Management	M	CMWU	Gaza	3-Dec-14	31-Dec-17	8.7	32.54
Total Funding								56.35	270.11

2.3 Data Collection Phase

As explained in the Inception Report, the data collection was undertaken using three main tools: an in depth review of the document, in-depth interviews, and field visits. A fourth tool had been envisaged, i.e., an on-line survey of World Bank task managers. This did not prove to be necessary as the Evaluation team was able to interview all key task managers.

The **In-depth Documentation Review** focused on all the administrative and project-related documents which were received after the kick-off meeting, such as the PID MDTF Concept Note, additional documents identified by the team such as the MENA MDTF Operational Procedures, and documents received during or after the interviews. The complete list is given in Annexes 3 and 4.

Interviews were conducted over a six-week period. In spite of the summer holidays, the Evaluation team was able to conduct all the key interviews, with the exception of one donor and the Ministry of Finance and Planning. Interview protocols were designed for each category of interviews (MDTF contributing and non-contributing donors, PA sector institutions, project managers, TTLs, others). In total, 55 people were interviewed face to face, by phone or via internet (skype and WebEx), as summarized on the table below. The list of all people interviewed is attached as Annex 5.

Table (2): Summary of Interviewees

Major category	#	Location of face to face interviews	And/or Means
PA Institutions	3	Ramallah, Gaza	Face to Face
Implementing agencies and local partners	25	Ramallah, Bethlehem, Hebron, Gaza	Face to Face, Skype
PID MDTF Donors	7	Ramallah Jerusalem	Face to Face Skype Video Conference
World Bank staff and TTLs	10	Jerusalem, Ramallah, Washington	Face to Face, WebEx, Telephone
Non PID MDTF donors	4	Ramallah, Jerusalem	Face to face, Telephone
Other informants	6	Ramallah, Jerusalem	Face to Face WebEx
Total	55		

Six Field Visits took place between two teams¹³. The field visits were the opportunity to see first-hand the status of implementation of the projects, discuss the issues with the project management and staff, and meet a few of the beneficiaries. The objective of these field visits was to complement the document review and inform the programmatic questions of the Evaluation; it was not to evaluate the performance of individual projects.

¹³ Muhammad Eila and Nader Said did the field visits in Gaza; Dominique Lallement and Kirsty Wright did the field visits in the West Bank only as they regrettably did not get permits to go to Gaza.

Table (3): Field Visits

Project Name	Location of Field Visit	Date of Visit
Second Municipal Development Project (MDP-2) and GZ Emergency Response AF MDP-2	Gaza Municipality (municipal maintenance garage)	August 25, 2016
	Gaza Municipality (road reconstruction in Zaytoun neighborhood, Gaza City South)	August 25, 2016
	Citizen Service Center Ramallah	August 5, 2016
	German funded Sewage Project, Salfeet	August 27, 2016
Southern West Bank Solid Waste Management Project	Al Minya Landfill	August 2, 2016
	Hebron Municipality, Solid Waste Department	August 2, 2016
	Jerusalem municipality solid Waste Transfer Station, Old City	August 3, 2016
Third Additional Financing for the North Gaza Emergency Sewage Treatment Project	NGEST project site, Deir El Balah, Gaza (Middle)	August 23, 2016
Gaza Emergency Water Supply and Sewage Systems Improvement Project AF	Desalination Plant at Deir El Balah , Gaza (Middle)	August 23, 2016

2.4 Data Analysis and Reporting Phase

An analysis of each of the evaluation criteria using the SWOT methodology informed by the documentation review and interviews, in order to reach the conclusions and recommendations.

3. Analysis and Findings

The analysis and findings is presented sequentially by evaluation criteria.

3.1 Relevance

Three main questions were reviewed:

- To what extent are the objectives of the PID MDTF still valid in the overall Palestinian context?
- To what extent has the program’s organization of activities contributed to meet its objectives?
- To what extent have the program’s activities and results been consistent with the intended results and aligned with the PA’s needs and national priorities?

3.11 PID MDTF Objectives in the Palestinian context

The development objective for the PID MDTF, as stated in the Concept Note of May 2012, was to “improve the coverage, quality, and sustainability of infrastructure in the West Bank and Gaza (WB&G) through financial and technical assistance (TA) to the PA for infrastructure development and related capacity building and institutional development in the water, urban development, and energy sectors.”

The PID MDTF was to “support the PA’s efforts to implement the NDP (2011-2013), particularly its Governance Strategic Objective of ‘empowering local governments and bringing public services closer to the people’, and its Infrastructure Strategic Objectives, including ‘(i) to develop integrated and sustainable national infrastructure networks; (ii) to protect the environment; and (iii) to maintain the long term quality, affordability and safety of infrastructure systems’. The Bank’s FY12-14 Interim Strategy Note (ISN) provided the overall scope of support for the NDP and the analytical and strategic frameworks to underpin the TF’s operations.

These development objectives of the PID MDTF are undoubtedly still valid today.

3.111 Background on the PID MDTF Infrastructure sectors in the Palestinian context

In 2011-2012, when the PID MDTF instrument was designed, the World Bank had significant infrastructure programs under implementation. These programs addressed major needs in water, waste water and solid waste management, and electricity distribution, both in the West Bank and Gaza. The World Bank was also providing financial support to the Municipal Development Program through the MDLF. Many other bilateral and multilateral donors, including Denmark, Germany, Norway, Sweden, the European Union, and the Islamic Development Bank were also actively involved in those sectors through their own programs or under parallel co-financing arrangements with the World Bank. There was a shared concern for the need to establish sector structures, institutions and capacities which would

enable the PA, under the two-State solution, to deliver affordable infrastructure services efficiently to the population, and in a financially and environmentally sustainable manner.

The **sector priorities** were described in the PID MDTF Concept Note and supporting strategy documents. Across sectors, common priority issues included sector reforms, with the separation of policy-making responsibilities to PA ministries from implementation responsibilities to relevant implementation agencies, and, for utility sectors, the establishment of a regulator and of private sector-led service providers. Other priorities included the strengthening of municipal governments, but also the building-up of economies of scale through the pooling of resources for certain services such as waste management through JSCs. Financial sustainability, and therefore cost recovery, was deemed at the core of sector viability and involvement of the private sector, especially in the prevailing context of Occupation with Israel’s control of a large share of the PA’s fiscal resources, as well as consumers limited income, and donors dwindling aid allocations. The implementation context of West Bank and particularly Gaza is also severely impacted by restrictions on the movement of materials, goods and people – examples of which are mentioned regularly in the Aide-Memoires and interviews with donors and implementing partners.

Since 2012, little has changed in the underpinnings of sector priorities, as illustrated in the World Bank’s Strategy for 2014-2016. However, one major event which affected the development of the PID MDTF was the Israeli-Gaza war of July 2014, which resulted in a considerable destruction of infrastructure, including some of the investments which had been financed by the World Bank and others, such as the North Gaza Emergency Sewage Treatment (NGEST) project, and a lot of the electricity, water and sanitation infrastructure.¹⁴

3.112 Alignment with PA National Development Plan, and with the World Bank and Donor Strategies.

From the onset, the objectives of the PID MDTF were well aligned with the PA’s NDP. Infrastructure was one of the four blocks of the NDP and would support private sector-led growth. The NDP also emphasized governance and public accountability, the building-up of partnerships, and the reforms of the legal and regulatory frameworks to encourage private sector participation. These concerns were mirrored in the World Bank’s Interim Strategy Note (ISN)2012-2014. It proposed to structure its program on two pillars:

- To strengthen the institutions of a future state to efficiently manage public finances and ensure services to citizens, aligned to the governance and social blocks of the NDP.
- To support the creation of an enabling environment for private sector led growth, aligned to the economy and infrastructure blocks of the NDP.

¹⁴ Estimates of the extent of the damages are provided in the October 2014 PADs for GZ Emergency Response AF MDP-2 and Gaza Emergency Water Supply and Sewage Systems Improvement Project AF: \$34 million in the water and waste water sector, \$45 million in the electricity sector and \$58 million to the municipal infrastructure and public facilities.

In addition, the World Bank’s ISN also emphasized the need for infrastructure to be economically sustainable, in particular in the electricity sector in order to address the issue of ‘net lending’¹⁵. The strategy also emphasized the need for the environmental sustainability of infrastructure investments, including the protection of natural resources. Support for investments and for the implementation of reforms in the electricity sector and in municipal development was to be the primary vehicle to improve the sustainability of the infrastructure network, while support to investments and reforms in water, waste water and solid waste management was to be the primary vehicle to protect the environment.

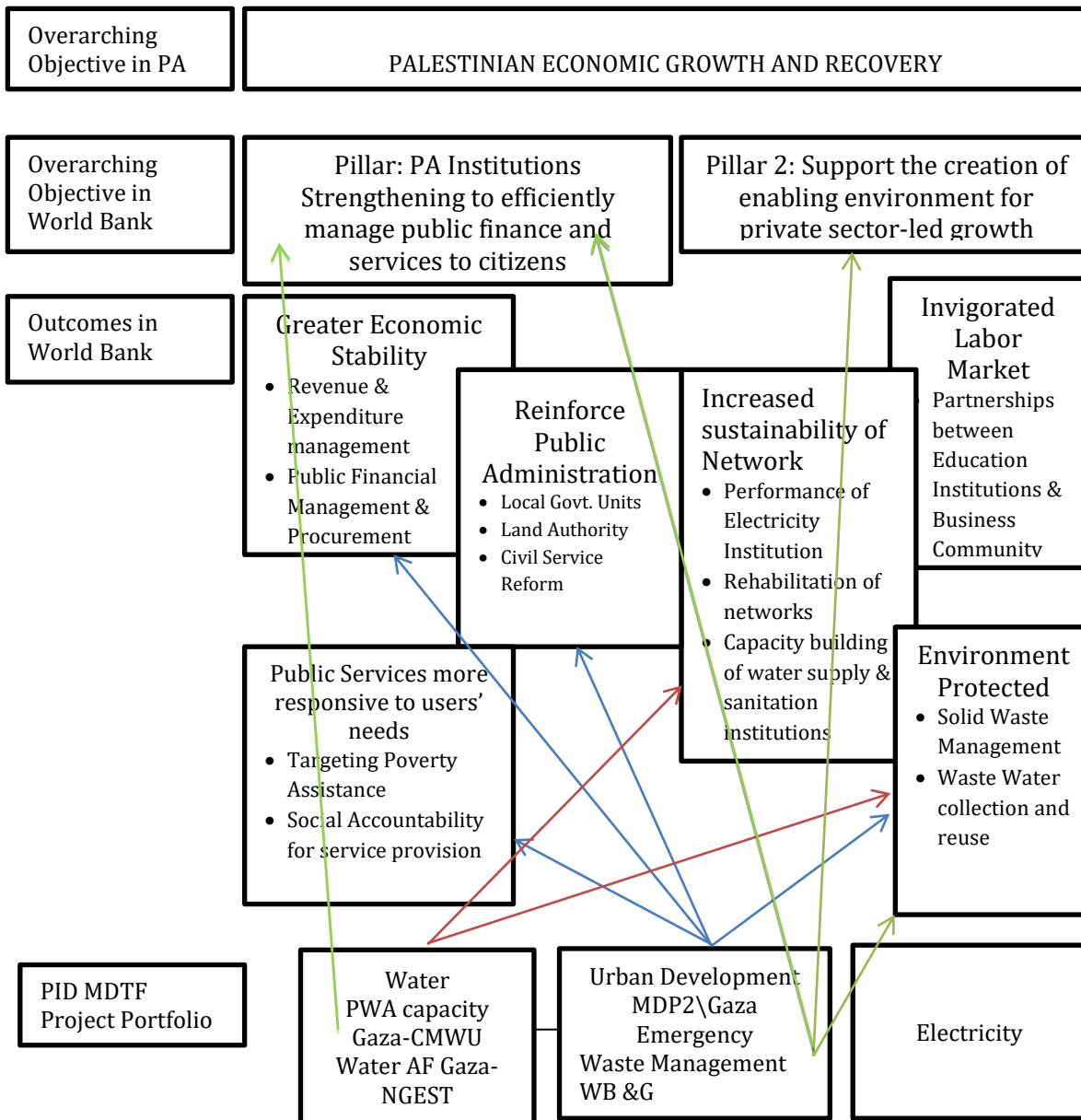
Donors interested in the idea of a PID MDTF recognized that the World Bank’s ISN provided an adequate framework for the infrastructure program. Even though some donors were interested in certain sectors more than in others, the sense was that a PID MDTF would have the sufficient flexibility to meet everyone’s interests.

Since the PID MDTF was established in June 2012, other strategy documents have been issued. The PA issued its NDP (2014-2016), which continues to emphasize good governance and institution building, stronger local government for service delivery, infrastructure development and environmental sustainability. Gender equality is prominently featured. The World Bank Country Assistance Strategy (CAS) FY 15-16 echoes the NDP. The first pillar remains centered on strengthening public institutions for state building and improving service delivery. The second pillar continues to be focused on private sector development—with an added emphasis on increasing employment opportunities, through supporting reforms that encourage job creation in the private sector. The CAS also specifies that gender-informed interventions will be scaled up based on a gender action plan developed in FY 14. The PID MDTF is, however, quite weakly aligned with the World Bank’s primary focus on the private sector, which is the second pillar of the strategy.

A simple Results and Monitoring Framework linked to the PA NDP and the World Bank strategy is illustrated in Graph 1

¹⁵ “In the past, municipal and village councils allowed large and rising arrears to accrue for bulk power purchases from the Israel Electric Corporation Ltd. These arrears were covered involuntarily by the PA’s Ministry of Finance through deductions made by the Israeli government from the clearance revenues owed to the PA. The resulting —net lending to the municipalities undermined the PA’s own fiscal position as well as the sustainability of electricity services.” World Bank Interim Strategy Note 2012-2014.

Graph (1): PID MDTF Results and Outcome Framework



The PID MDTF objectives continue to be well-aligned with contributing donor assistance strategies, in particular, for strengthening local governments’ capacity and accountability to prioritize their investment needs, to deliver infrastructure services, and to improve their financial autonomy through a cost recovery mechanism. Overall, the PID MDTF is also well aligned with donor sector priorities. However, some sectors have been ‘better served’ than others. Reflecting the current portfolio of projects supported by the World Bank, municipal development, water, waste water, and solid waste management, have proportionately benefited most from the PID MDTF to the satisfaction of most donors. By contrast, limited resources have been allocated to the energy sector. This reflects the fact that donors with

the largest financial contributions have different sectoral priorities in their country programs which affects allocation under the PID MDTF, but has caused some relative dissatisfaction of those donors who have a strong interest in the energy sector. The project portfolio is discussed in detail in Section 3.121. Although as a multi-donor TF, donor funding is not earmarked, in reality, the PID MDTF *de facto* strives to balance donors sector or thematic interests with the priority needs in each of the three infrastructure sectors retained for the PID MDTF. For example, Denmark is particularly interested in urban and local government development, Finland, the Netherlands, and Sweden in water/waste water, and Norway in energy.

Finally, it is worth highlighting that Gaza reconstruction became a unifying objective amongst donors and the PA after the 2014 war with Israel, and the rehabilitation and development of its infrastructure sector continues to be a priority.

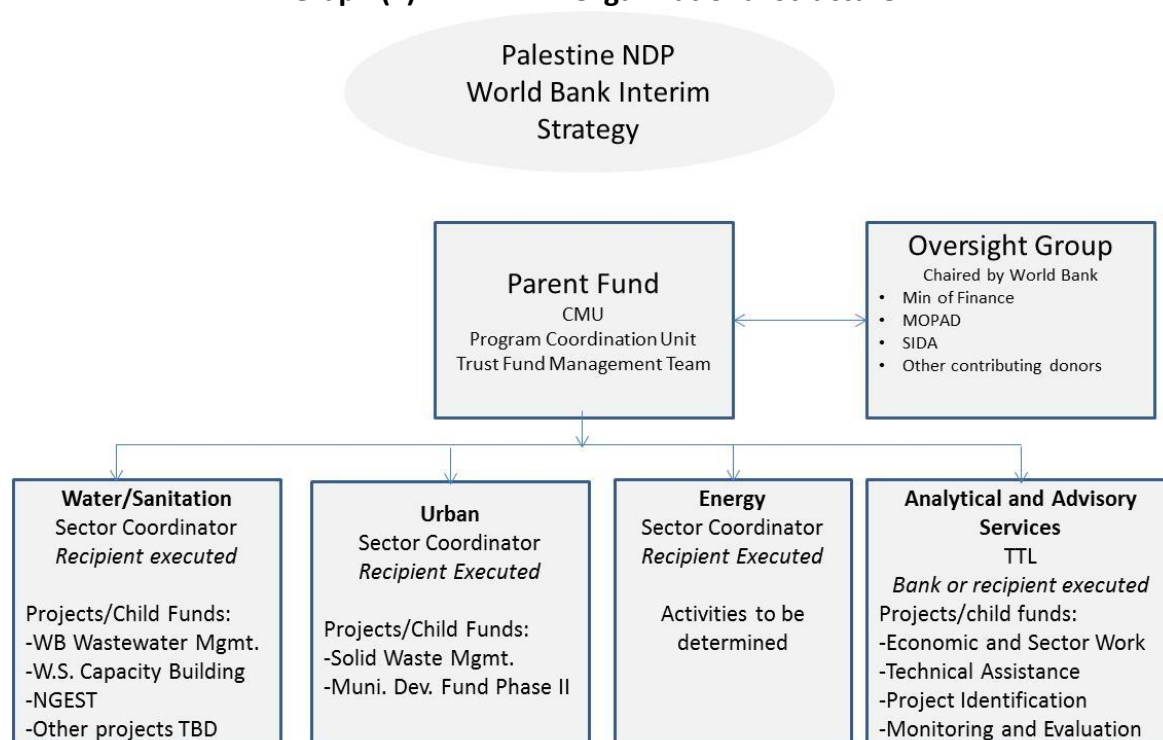
3.12 Organization of activities to meet objectives

The PID MDTF objectives are pursued through a *portfolio of projects* initially in three sectors: Water and Sanitation, Urban (and Solid Waste Management), and Energy. The Concept Note envisaged that the TFs would be used to support mostly investment activities but also some AAA on relevant issues, without any specific pre-ascribed sectoral or multi-sectoral application. Investment activities would be mostly recipient-executed, while AAA could be either recipient or Bank-executed. When the PID MDTF was established, the World Bank already had an active infrastructure project portfolio with six projects under implementation, mostly co-financed with donor bilateral TFs managed by the World Bank or under parallel co-financing arrangements; an addition five projects were under preparation, of which one had just been approved¹⁶. The World Bank expected that at least five projects would need AF¹⁷. Over the years, the availability of flexible funding sources to provide AF had proved very effective in the Palestinian context¹⁸. The program was therefore structured with four windows, and the following preliminary organization.

¹⁶ See list in PID MDTF Concept Note dated May 2012.

¹⁷ The West Bank and North Gaza Emergency Sewage Treatment Projects, the Water Sector Capacity Building Project, the proposed West Bank Wastewater Management Project, the Gaza Solid Waste Management Project, and the second phase of the Municipal Development Program.

¹⁸ World Bank Interim Strategy Note 2014-2016

Graph (2): PID MDTF Organizational Structure

Source: Concept Note May 7 2012

3.121 Detailed presentation of the Portfolio

Since inception, the PID MDTF has allocated resources to 12 projects (see Table 4), of which eight were active in the period covered by the Evaluation (June 2012-December 2015). Total funds allocated amount to US\$69 million, contributing 25% of project costs. Only one project has been completed, the NGEST Solar Power Feasibility Study. One more project has been prepared and approved in 2016 and an additional five projects are scheduled for approval. At least five of these projects are AF.

Table (4): PID MDTF Current Project Portfolio 2012-2016

Project	Total project costs US\$	PID MDTF Grant Amount US\$	TFGWB Grant Amount US\$
Second Municipal Development Project	74.85	25.80	10.00
Second Municipal Development Project Additional Financing	0.00	6.90	0.00
GZ Emergency Response AF MDP-2	21.00	12.00	3.00
Southern West Bank Solid Waste Management Project	38.00	1.50	12.00
Gaza Solid Waste Management		0.75	
NGEST Solar Power Feasibility Study	0.15	0.15	0.15
Project Preparation Grant for ESPIP	2.50	2.50	2.50
PID MDTF Program and TF Management	2.07	0.2	

Project	Total project costs US\$	PID MDTF Grant Amount US\$	TFGWB Grant Amount US\$
Gaza Sustainable Water Supply Program: Additional Works	2.50	2.50	0.00
Water Sector Capacity Building co-financing Fund	12.00	3.00	3.00
North Gaza Emergency Sewage Treatment Project Third Additional Financing**	89.50	5.00	3.00
Gaza Emergency Water Supply and Sewage Systems Improvement Project AF	32.54	8.70	3.00
Total	275.11	69.00	36.65

* Same Project Costs as Initial MDP 2
** Project Costs taken from PADs and Grant Agreements

The sectorial composition of the portfolio is summarized in Table 5 below.

Table (5): PID MDTF Project Portfolio, Sector Composition, 2012-2015 and 2016.

Sector	2012-2015 Portfolio				Approved or planned for 2016	
	No.	Grant Amount (in \$ millions)	Allocated (in %)	No.	\$ Amount (in millions)	
Water/Waste Water	4	19.20	29	3	9.3	
Urban and Solid Waste Management	5	46.95	71	2	14.5	
Energy	2	2.65	--	1	4.0	
Project Management and TA	1	0.20				
Totals	12	69.00	100	6	27.8	

Except for the NGEST Solar Power Feasibility Study which was Bank-executed, all the other projects are recipient-executed investment projects. However, most investment projects include institution and capacity building components. The one exception is the Gaza Emergency Response AF MDP-2 Project. Table 6 illustrates these components in the sample of projects selected for in-depth review.

Table (6): Institution and Capacity Building Components in Project Sample

Project name	Brief Description of Institutional and Capacity Building component
Second Municipal Development Project (MDP-2)	Training packages covering improved financial management, planning, social accountability and O&M for partner municipalities. Capacity building based for MDLF staff (based on the current MDLF strategic plan) for Human Resource Development and Institutional development, including specific gender training for field engineers and MDLF staff in contact with partner municipal staff.
Southern West Bank Solid Waste Management Project	On-the-job training, workshops and study tours for implementing partner staff and other stakeholders

Project name	Brief Description of Institutional and Capacity Building component
	(Environmental Quality Authority (EQA) and Hebron JSC). Hebron JSC for skills development in solid waste admin, management and policy, governance, community engagement and accountability; EQA for skills in environmental monitoring and planning, inspection, testing, analysis and reporting on solid waste infrastructure; TOU staff on-job-training in technical skills.
Water Sector Capacity Building co-financing fund	For Palestinian Water Authority (PWA) and related agencies to support the implementation of Sector Reform strategies and Action Plan developed by the Technical and Policy Advisory Team (TPAT) which including the development of Management Information Systems, civic engagement skills, organizing PWA archives, and upgrading software of the PWA HRD department and purchase of equipment.
North Gaza Emergency Sewage Treatment Project Third Additional Financing	Support to PWA capacity and training needs assessment for O&M activities at the Plant including implementation of the current monitoring systems for operation and environmental impacts.
Gaza Emergency Water Supply and Sewage Systems Improvement project AF	Support to ongoing M&E systems and environmental monitoring; repair of CMWU premises; provision of machinery and vehicles.

3.122 Alignment of Activities with PID MDTF Objectives and Expected Outcomes

The results and outcome framework presented in the PID MDTF Concept Note is articulated on three levels of outcomes:

- Overall outcomes: the provision of improved and more sustainable water supply, sanitation, and urban services.
- Core outcomes¹⁹:
 - *Sustainability*: to be achieved mostly through capacity building activities, self-standing, through research institutions, or within projects.
 - *Partnerships*: to be achieved between the World Bank and donor partners, PA institutions (PWA, Ministry of Local Government (MOLG) etc.), implementing agencies and the private sector.
 - *Client Ownership*: to be achieved through alignment of the program with policy priorities in the PA NDP, in the water and electricity sectors policy reform process and with other priorities expressed by PA government institutions.
 - *Harmonization*: to be achieved through discussions in the OG chaired by the World Bank with the participation of the PA and the donors, to ensure alignment between the PID MDTF and donor priorities.

¹⁹ Referred to as core principles in the Concept Note

- *Knowledge Building*: to be achieved by capitalizing on research and diagnostics already done into the design of program activities, and by disseminating findings amongst stakeholders (government, civil society, academia, and donor agencies).
- Sector and Project Outcomes: A list of examples was provided, including:
 - Water sector: Progress with the implementation of reforms: preparation of a detailed roadmap, including monitoring tools, and updating of all PWA policies;
 - Electricity sector: Capacity building of the regulator, improved performance of the distribution companies, and piloting of renewable energy and energy efficient activities;
 - Urban sector: strengthened local governments to deliver efficient and reliable urban services.
 - Specific quantitative results in waste water collection and reuse in Gaza (100%) communities’ access to sanitary landfills (75%), environmental protection through leachate discharge in landfills (0%).

It is to be noted that energy was not cited in the overall outcomes, although they could be partly subsumed in ‘urban services’. In addition,

- While recognizing that the PID MDTF is to be a flexible instrument capable of responding quickly to new demands (such as the Gaza emergency), the formulation of these expected outcomes is not exactly consistent with the formulation of strategic priorities in the PA NDP or the World Bank’s ISN. One would have expected a clear link with the development objectives of the PA NPD and World Bank ISN, such as:
 - The improvement in social welfare and people’s health from improved water, waste water, and solid waste management services;
 - The improvement in people’s welfare as well as economic productivity from improved electricity services;
 - An increase participation of the private sector in the development and growth of the economy – which is one the rationale presented in strategy documents for investing heavily in infrastructure.
- The presentation of the core outcomes or principles is not consistent in all cases. For example, under sustainability there is no mention of financial and environmental sustainability, even though both elements are addressed prominently in the strategy documents.
- Finally, besides the overall outcome, there is some discrepancy between outcomes, project results indicators, and tools/activities to achieve those results. For example, achieving ‘municipal solid waste disposal in a sanitary landfill facility from 0% at appraisal to at least 75% at project completion’ is a project quantitative result not an outcome. An outcome would, for example, be the effects of this on the reduction in the numbers of illegal dump sites, and/or beneficiaries’ perception of improved environment conditions in their villages. The tools to achieve water sector reform would be not only the preparation of the roadmap (an intermediate result indicator), but also that the laws and implementation decrees have been issued.

These concepts and definitions may not be perceived as the most important aspect except when a new instrument like the PID MDTF is being designed. Nevertheless, a clearly

thought-out results and outcome framework is a useful tool, not only to make periodic assessments like this mid-term evaluation, but also to take stock of progress on strategic issues in the dialogue with key partners and stakeholders. To assess whether the PID MDTF activities permit to achieve the program outcomes, the Evaluation Team therefore summarized the framework in Graph 1 above.

Also, drawing information from the project sample, the Evaluation tried to identify the convergence or gaps with the strategic objectives. However, the ISRs document well the project results towards the project outcomes, but not how the project contributes to each of the overall or core outcomes of the program. As a result, we could not evaluate whether each of the projects contributes to the precise project development objective of the PID MDTF. With the exception of the NGEST project, the overall ratings point to an overall satisfactory performance of the portfolio towards the program outcomes. The NGEST implementation constraints are in large part due to exogenous factors (bankruptcy of the foreign contractor; hostilities resulting in suspended works and damages to already completed infrastructure and reversal of the environmental issue previously resolved through the drainage of the effluent lake at Beit Lahia; and protracted solution to electricity supply from Israel).

Table (7): Contribution of PID MDTF Activities to Stated Program Outcomes

Project Name/Outcomes (Sample)	Rating from ISR of Contribution to the Project Development Objective
Urban & Waste Management	
Second Municipal Development Project (MDP-2)	Satisfactory
GZ Emergency Response AF MDP-2	Satisfactory
Southern West Bank Solid Waste Management	Highly Satisfactory
Water & Waste Water	
Water Sector Capacity Building Project	Moderately Satisfactory
Third Additional Financing for the North Gaza Emergency Sewage Treatment Project	Moderately Unsatisfactory*
Gaza Emergency Water Supply and Sewage Systems Improvement Project Additional Financing	Satisfactory ²⁰
Energy	
NGEST Solar Power Feasibility Study project	No ISR generated
Analytical and Advisory Activities	
	Not applicable

Source: June or December 2015 ISR Project Ratings

* In May 2016 ISR, project was rated unsatisfactory

3.123 Lessons learned

After three years of operations, it seems that the organization of the PID MDTF activities into projects is consistent with what had been envisaged when it was established in 2012. These activities are, as a whole, aligned with the PA NDP and the World Bank strategy, whether the interim strategy (2012-2014) or the current CAS (FYs 15-16). The *choice of activities* for MDTF funding is consistent with the intended results of providing ‘improved

²⁰ No ISR was located for this project. The rating is taken from the PAD of October 17, 2014 for the on-going project

and more sustainable water supply, sanitation, and urban services’, but falls short of expectations towards the PA’s needs and national priorities in the energy sector, since there has been only one energy project financed to date in addition to emergency works on the electricity network in Gaza.

At this stage, the PID MDTF has to yet further develop to the point of being considered a program *per se*, as suggested in the Concept Note, as there is not yet a fully programmatic approach neither in each sector nor across the three sectors. The PID MDTF is a portfolio of projects, which mostly provide AF to already on-going World Bank projects. Of the four windows, only two have benefitted from significant MDTF allocations: Water and Sanitation, and Urban and Solid Waste Management. Energy has not received equal attention, and only one study - the bank-executed NGEST Solar Power Feasibility Study - has been implemented under the fourth window: AAA. This said, as shown on Table 8, the projects often include analytical and advisory assistance components.

Table 8: Analytical and Advisory Assistance in Project Sample

Project name	Analytical Studies and Technical Assistance
Second Municipal Development Project (MDP-2)	Under ‘innovation and learning’ component, consultancy services are being used to develop a municipal approach to Local Economic Development (LED) and renewable energy projects
Southern West Bank Solid Waste Management	Under ‘innovation and learning’ component, studies are being undertaken on waste collection utilization and feasibility studies of small scale projects for waste reduction, recovery, recycling and composting
Water Sector Capacity Building co-financing Fund	The project supports the design and implementation of PWA sector reform through provision of analytical studies and TA, including production of planning documents for the sector reform process, an action plan for sector transitions, monitoring tools for PWA interface with service providers, and policy paper updates. The project has financed a TPAT. TA activities have included legal reviews, development of business and communication plans, evaluations of Memorandum of Understanding (MOUs) in operation. Supplementary studies and training needed, identified as part of an Action Plan development include regional and local master plans, standards, and other projects, how to conduct meetings, developing SOPs. Studies undertaken include waste water and transboundary water issues.
North Gaza Emergency Sewage Treatment Project Third Additional Financing	None
Gaza Emergency Water Supply and Sewage Systems Improvement Project AF	None

Since the projects are still under implementation, it is also too early to assess whether they will reach the intended outcomes of the PID MDTF or how this achievement will be

measured. From the analysis of the sample of projects retained for the Evaluation, and the interviews carried out with donors and implementation agencies, the results from the project approach are mixed, and uneven across sectors²¹ In some instances, the project approach has been effective to achieve the PID MDTF objectives, of increasing the quality and quantity of services, and in building the capacities of local institutions. These results are not attributable solely to the PID MDTF financing, but to the conjunction of efforts for many years by several stakeholders. Good examples include the Municipal Development Project, which benefitted both West Bank and Gaza through the MDLF, the South West Bank Solid Waste Management Project, and the Gaza Emergency Water Supply and Sanitation Project AF.

- In the Municipal Development Program (supported by the World Bank and many other donors for many years), the MDLF is now considered a strong and well-managed institution. The TA that MDLF has provided to municipalities, so that they could meet the performance criteria to qualify for MDLF financing, has resulted in significant progress in building the competencies and accountability of municipal management systems. The system for allocating public resources is now more effective, efficient and transparent. Local government units are more capable of improved public service delivery. These results are definitely consistent with the strategic objectives on governance and capacity building.
- Likewise, significant progress has been made in solid waste management, both in South West Bank and in Gaza, including on accessibility, equity, affordability, cost recovery and potential sustainability. For example, the JSC in the South West Bank has developed a system of sub-transfer stations to reduce the transportation costs of the poorer municipalities. However, waste-water reuse for irrigated agriculture is lagging behind.
- In the water sector, it is recognized that donor coordination through the MDTF mechanism helped put pressure on the PA to sign the Water Law in 2014. The Water Sector Regulatory Council (WSRC) strives to make the costs of water for consumers more equitable across Palestine through tariff reform. However, progress in implementing the sector reforms is slow and hampers further progress. Some of the donors do not fully share the World Bank’s optimistic views reported in the Aide-Memoires and Implementation Reports on the pace of reform.
- The case of energy is interesting. Although the NGEST Solar Power Feasibility Study is the only activity financed by the PID MDTF, it is in the area of renewable energy, which had been flagged in the Concept Note as an area for innovation. There has not yet been any capitalization of the results of the study: the World Bank has decided not to finance the power plant (possibly until progress is made with Israel on a permanent supply of electricity for the NGEST plant), and no other donor has come forward with firm financial commitments.²²

²¹ It is important to note that attribution of results to the PID MDTF is difficult since the projects continue to benefit from TFGWB financing as well as, in most cases, from parallel donor financing. For example, the combined TFGWB and MDTF financing to the MDLF is only a fraction of what KfW is providing. This implies that the PID MDTF’s current objectives may need to be rearticulated at a higher level of development impact to address the more overarching purpose of the instrument itself. Recommendation 1 above elaborates on what this might look like.

²² Discussions have been initiated with USAID and the Islamic Development Bank.

3.2 Effectiveness

Three main questions will be addressed under effectiveness:

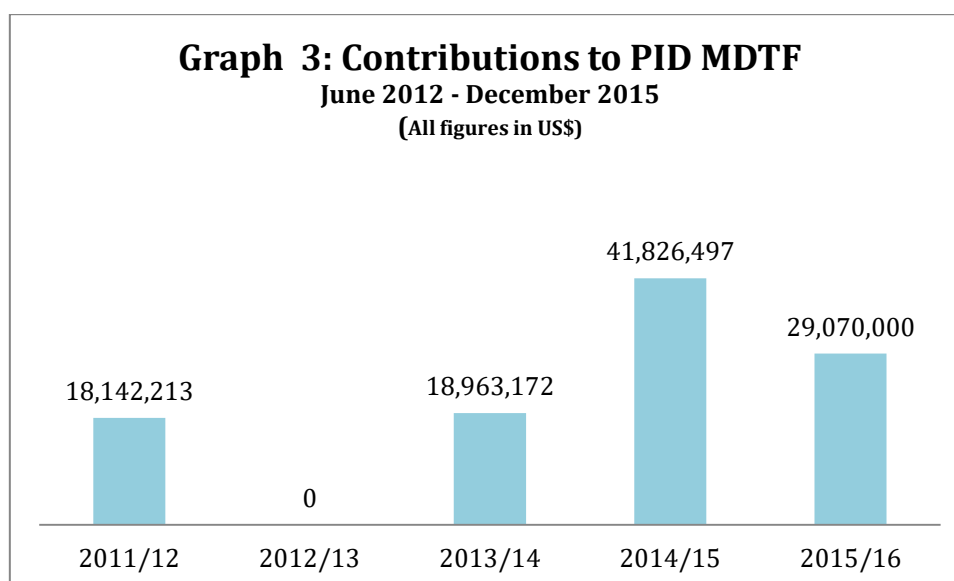
- Has the PID MDTF been an effective donor coordination mechanism to determine sector strategic objectives and have a strategic impact?
- To what extent does the PID MDTF management have the flexibility to design and effectively execute the activities to achieve its objectives in view of donors’ priorities in different sectors?
- How effective is the results and outcome monitoring system, including on such cross-cutting issues as gender and accountability?

3.21 Effectiveness of the PID MDTF as a donor coordination mechanism

In this section, the effectiveness of the PID MDTF as a donor coordination mechanism will be analyzed from several perspectives: the ability of the PID MDTF to pool financial and human resources, the ability of the mechanism to influence sector strategies, policies and procedures, and the ability of the program to influence decision-making and problem solving on significant implementation issues which can have a significant impact beyond the projects.

3.211 Pooling of Financial Resources.

The PID MDTF has been quite successful in pooling donor resources. The first donor to the PID MDTF, Sweden, committed to an initial contribution of SEK40 million over three years, equivalent to about US\$18.0 million, and made the first payment in 2012. The PID MDTF has had a six-fold increase in 3 ½ years, reaching US\$108 million by the end of December 31, 2015. At the same date, paid-in contributions amounted to US\$82.1 million. Eight donors are now in the pool; Sweden and Denmark are the largest donors. The growth in contributions is given in Graph 3, and the detailed contributions in Table 9 below.

**Table (9): Detailed Donor Paid-in Contributions.**

	Date	US\$	Local Currency	Amount
Sweden	19-Jun-12	18,142,213	SEK	120,000,000
Denmark	9-Dec-13	18,963,172	DKK	110,000,000
Norway	11-Nov-14	7,474,886	NOK	58,000,000
France	1-Dec-14	4,390,050	EUR	3,500,000
Croatia	19-Dec-14	100,000	US\$	100,000
Portugal	22-Dec-14	182,795	EUR	150,000
Finland	24-Mar-14	6,613,250	EUR	5,000,000
Denmark	17-Sep-14	10,344,827	DKK	60,000,000
Netherlands	30-Sep-14	4,000,000	US\$	4,000,000
Denmark	1-Jan-15	8,620,689	DKK	50,000,000
Croatia	21-Aug-15	100,000	US\$	100,000
Norway	9-Nov-15	1,790,000	NOK	15,000,000
Sweden	2-Dec-15	23,300,000	SEK	190,000,000
Finland	14-Dec-15	3,980,000	EUR	3,650,000
Total		108,000,000		

Source: PID MDTF semi-annual and annual progress reports, Unaudited Trust Fund Financial Reports

Other donors initially approached, the EU and Belgium, opted not to join in. When interviewed, the EU explained that it is difficult for them to put their resources in the pool, as they have their own multi-donor TF administered by the European Investment Bank (EIB), which in turn executes the projects through bilateral agencies such as Agence Française de Développement-AFD (France) or KfW Bank für Entwicklung (Germany). Likewise with USAID, whose budget is approved by Congress and procurement accountability procedures have to be US government procedures²³.

²³ This is especially sensitive for West Bank and Gaza because of the anti-terrorism legislation.

The PID MDTF is seen as a strong *emergency funding mechanism*. Following the war in Gaza, and the donor conference in Cairo co-chaired by Egypt and Norway, three donors joined the pool to support the emergency reconstruction of Gaza: France, Croatia and Portugal. The PID MDTF was readily available to accept resources and start implementing projects as the procedures were in place. The Gaza Emergency Response Project was appraised and approved by the World Bank Board in two months as Afto the MDP 2. Croatia has since decided to renew its contribution to the pool. France indicated to the Evaluation team that it would not renew its contribution but would consider it were there to be a need for another emergency funding.

From the World Bank perspective, it is clear that the PID MDTF is a useful instrument to leverage its own limited financial resources for its programs with PA. Annual allocations from the International Bank for Reconstruction and Development (IBRD) net income have been set year after year at US\$55 million; these resources are managed through the World Bank TFGWB, and are clearly insufficient to achieve the ambitious program that the Bank has in its country assistance strategy. For the 12 projects in the current PID MDTF portfolio, the Bank has leveraged its resources by a factor of 1.88, from US\$36.65 for its own contribution with US\$69 million from the PID MDTF, thereby contributing to 38% of estimated project costs. Without the PID MDTF resources, the World Bank’s own contribution would be of only 13.3% of estimated project cost.

3.212 Pooling Human Resources

Donors and recipients interviewed stressed their appreciation of the quality and broad range of competencies that the World Bank makes available to prepare and supervise projects: sector policy knowledge, technical expertise, financial competencies, and sensitivity to social issues. The range of competencies brought into the six active projects in the Evaluation sample is illustrated on Table 10 but is not exhaustive of all the competencies that the World Bank provides.

Table (10): World Bank Competencies across Design and Implementation of PID MDTF Active Projects.

Competencies	Frequency of Staff #'s in	
	Project Preparation	Project Implementation
Financial Management	12	3
Urban Development	10	2
Procurement	7	3
Legal	7	
Water Supply and Sanitation	4	2
Infrastructure	3	1
Social Development	3	3
Operations	3	2
Water Resource	2	
Environmental management	2	
Solid Waste Management	1	
Institutional Development	1	
Information and Communication	1	
Social Safeguards	1	
Environmental Safeguards		1

Environmental Engineering	1
Municipal Finance	1
Land Fill Engineering	1
Waste to Energy	1
Economics*	2
Energy*	1

* Non World Bank staff.

Source: PADs and Aide-Memoires.

Donors recognize that they themselves do not have such vast resources and are pleased to be able to capitalize on the Bank’s pool of competencies. The TFhas enabled them to continue being active in the relevant sectors when faced with dwindling administrative and aid resources. Recipients are equally enthusiastic about the quality of the staff and consultants provided by the World Bank, seeing the missions as an opportunity to expand their knowledge, to proceed with technical rigor, and to think of strategic solutions and apply negotiating skills in difficult situations, e.g., in dealing with Coordination of Government Activities in the Territories (COGAT) (see below). For example, learning about performance contracting on solid waste management has completely changed the JSC’s thinking on how to improve service delivery efficiency and financial sustainability. Another benefit of having the World Bank manage the PID MDTF is the ability of the staff to bring knowledge across projects, from West Bank and Gaza, e.g. from the Jenin landfill to the Bethlehem/Hebron landfill, or from other countries in the Region or other parts of the world where there is relevant experience.

3.213 Influencing Strategies and Policies

Altogether, donors see the pooling of resources into the PID MDTF MDTF as an effective way to manage their bilateral assistance in the three PID MDTF infrastructure sectors.

Although some of the donors recognize that they were not associated to the initial design of the PID MDTF, in the interviews they acknowledged the soundness and alignment of the World Bank’s strategy with the PA NDP. They also marked their appreciation of the Bank’s leadership role in undertaking quality sector analytical work when preparing projects, and in leading the policy reform dialogue with the PA, in particular on the governance and capacity building of municipal governments, and water and sanitation and solid waste management.

Donors interviewed also highlighted the Bank’s positive role on sector coordination amongst donors, especially as compared to the LACS process. For example, the LACS Water Sector Working Group has not met over the last year, and the Infrastructure Working Group has not convened for the past two years. Donors discarded the hypothetical comparison with UNDP, even though it also operates a multi-donor TF because of its very different way of implementing projects (i.e., mostly with its own staff rather than through local project implementation agencies). Donors meet regularly with the Bank staff, mostly in the context of project-related missions, and among themselves. They do see the need, however, for improving efficiency in identifying priorities in sector policy issues as well as steps to address priorities with PA institutions in order to have a greater strategic impact. For example, in the water sector, although the donor-coordinated approach with the PA led to the signature of the Water Law in 2014, which had been pending for three years, the PWA is very slow in

revising its policies, thereby hampering the work of the regulator. At this stage, donors would like to be more involved and would like a clearer roadmap for policy action and decision-making, so that they could reinforce the dialogue led by the World Bank, through their bilateral dialogue with PA institutions at the ministerial level.

3.214 Harmonizing procedures and contributing to capacity building

Donors trust, and show respect for, the rigor of the World Bank’s procedures, in particular on procurement. Some find these procedures a bit cumbersome and lacking flexibility, although for the emergency reconstruction of Gaza the World Bank did apply the ‘simplified procurement procedures’²⁴. There is also recognition of the improvements in partners’ implementation capacity thanks to the World Bank’s diligence during project supervision mission in guiding implementation agencies in good technical, financial, and administrative management practices.

The PID MDTF donor coordination processes are seen as efficient in addressing project issues. Donors who are able to participate in field missions find them very effective to discuss project and sector issues, although mission planning could be improved. Some donors require more time than perceived by the World Bank to obtain the authorization to travel from their country or to obtain a permit from COGAT to go to Gaza. The Aide-Mémoires are thorough, but do not necessarily engage the PID MDTF donors in a common agenda. Recipients appreciate that they deal with only one supervision/implementation mission.

World Bank TTLs have also strived to associate to their mission donors who are not contributors to the PID MDTF but who are significant players in the same sectors and can undertake complementary activities. This is an additional way to mobilize resources for the projects. Good examples include the EU and Germany, who regularly participate in all critical water and local government missions, and the participation of USAID in the South West Bank project: USAID, which has a major road program, accepted to finance the construction road to the landfill, which is in Area C. Similarly, USAID was approached to construct the access road to the waste-water treatment plant in Gaza under the Gaza Water and Sanitation AF. With respect to resettlement, in South West Bank the World Bank has banked on UNDP’s successful livelihood restoration project *Deprived Families Economic Enhancement Program (DEEP)* financed through Islamic Development Bank, and encouraged the JSC-Khan Yunis Rafah Municipalities to develop a similar program for the Gaza Solid Waste Management Project.

Recipients interviewed also expressed their satisfaction from what they have gained from their interactions with the World Bank and the PID MDTF. The main gain is seen in the harmonization of procedures with the use of World Bank procedures, regardless of the

²⁴ The Project Paper on a proposed additional grant for Gaza Emergency Response AF to the Second Municipal Development project (MDP-2) dated October 17, 2004 stated: “Given the emergency nature of this Additional Financing, the simplified procurement procedures for works and goods and selection procedures for consultants’ services will apply. The MDLF will prepare an annex to the Procurement Manual and submit it for the Bank’s review and clearance, prior to effectiveness”.

source of funds into the PID MDTF, as compared to potentially dealing with 9 sets of procedures (8 donors plus the World Bank). The MDLF and the JSC also indicated that they were pleased to have integrated World Bank procedures in their operational manuals.

3.215 Coordinating for problem-solving and decision-making

The PID MDTF has been instrumental in fostering a coordinated dialogue with Israel. Implementation of any infrastructure program or project in the current state of Occupation of the Palestinian territories is extremely difficult. Israel imposes restrictions in the movement of people and goods, requires construction permits, controls the PA’s income, and regularly imposes sanctions. Comprehensive rigorous data documenting the impact of restrictions on infrastructure implementation are hard to come by, but project reports are rich with factual evidence. Under these conditions, normal project implementation planning is not possible. Several donors mentioned that the World Bank’s ‘aura’, in its coordinating role under the PID MDTF, has been instrumental in intermediating the dialogue between PA agencies and COGAT and in leading the donor dialogue on difficult issues has helped finding or making progress towards solutions.

For example, for the NGEST plant, the Bank conducted several meetings with COGAT, at which all donors were invited, to discuss the supply of electricity. The Bank’s correspondence has resulted in some response from Israel after months of silence, even if the content of Israel’s proposal does not conform to its agreement at project inception and is not satisfactory. By contrast, COGAT has provided authorizations to extend the construction of a landfill in Gaza on land where construction was previously not permitted. In Hebron, the issue of accepting solid waste from settlements at the Al Minya landfill has not yet been resolved. It is not clear how much the emergence of such solutions is due to institutional ‘aura’ versus personalities and goodwill on both sides. Amongst donors, only USAID is reported to have a relatively privileged relationship with the Israelis. However, they are not part of the PID MDTF mechanism. World Bank TTLs have strived, in some cases, to bring them in for specific issues, for example, the implementation of the 2013 MOU on Water Transfers from the Jordan Valley to the West Bank which has been at a standstill.

The PID MDTF has not been so effective at promoting the pace of PA decision-making process at the national and sector level which would better support PID MDTF project portfolio implementation. As a result, project implementation timelines have been impacted, sometimes significantly, reducing the effectiveness, efficiency - and ultimately the impact of the project portfolio. Aide-Memoires and ISRs regularly detail the delays in PA transfers of contributions to projects across all current sector interventions. Some significant issues have included the delay in over a year of the startup of the Gaza Solid Waste Management project as a result of the delay in PA payments on compensation for land acquisition, despite the decision made by the Council of Ministers in Ramallah dated August 22, 2015 to speed up the compensation process. The slow pace of municipal and water sector reform has also stymied progress on sector institution sustainability and may

jeopardize the donor coordination achieved to-date since the World Bank has started leading the effort²⁵.

It is well understood by PID MDTF financing partners that decision-making involving the delegation of authority to quasi-independent entities for a non-sovereign authority such as the PA is politically difficult. However, it is evident that PID MDTF donors are frustrated with the current pace of decentralization and would like to find ways to improve their strategic influence in this regard.²⁶ Donors balance the clear benefits of the PID MDTF mechanism in terms of administrative efficiency and increased sector harmonization against the desire to have greater perceived leverage with their PA partners to meet their own assistance priorities and political imperatives.

3.22 Management Flexibility in program design and execution

This section reviews the effectiveness of the PID MDTF as a flexible instrument both at the programmatic level and for project design and implementation. It focuses on three aspects: the allocation and disbursement of funds, the possibility to adjust project objectives and design during implementation, and the opportunity to bring innovations.

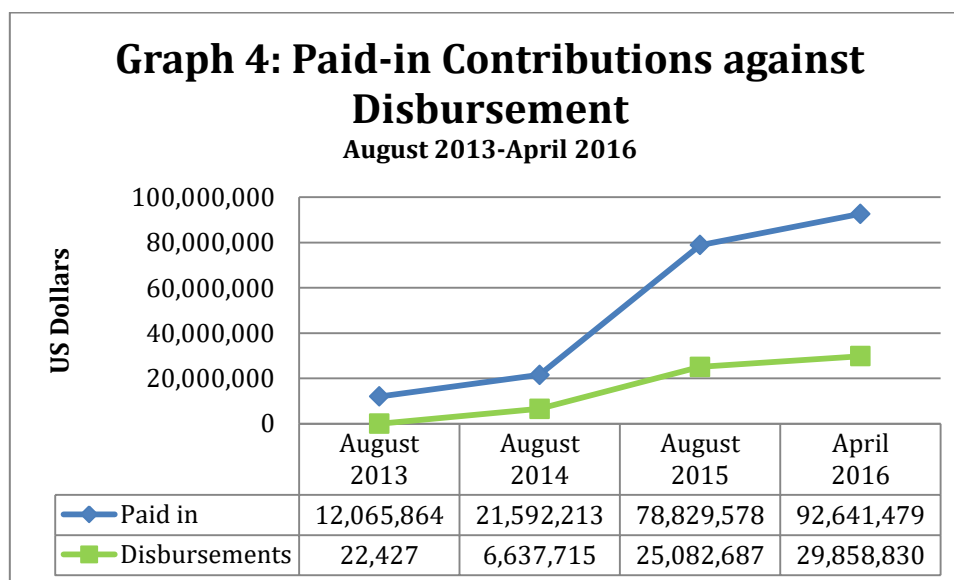
3.221 Commitments and disbursement of funds.

The allocation of PID MDTF grants is supported by the same project preparation standards and process as all World Bank projects. The PID MDTF is therefore responsible for reviewing the grant amount requested, making sure that it is aligned with the program objectives and that there are sufficient (uncommitted and unallocated) funds against the pledged contributions to cover the total grant amount. The project cumulative disbursements and the donor paid-in contributions in Graph 4 shows that disbursements have been significantly below the available funds over the Evaluation period. Some donors expressed their concern that disbursements were slow, particularly for the emergency response projects in Gaza but others acknowledged that the preparation time required to launch quality small scale infrastructure projects, which involve significant rehabilitation or reconstruction work, is extensive and also that many of the implementation impediments

²⁵ The processing and approval of the licensing bylaw for the WSRC to use for licensing the service providers, which also include the licensing fee for its sustainability, the approval of the PWA organizational structure by the Ministerial Cabinet and the full redeployment of the staff (it has been forwarded to the Ministerial Cabinet in January 2016 and still under review by sub-committee), the establishment of the national water national company, which is one of the main institutions in the new water sector structure (a study is ongoing), the finalizing of the regional water utilities bylaw (a road map study is ongoing).

²⁶ Recent efforts by the Office of the Quartet to respond to the increasing pressure from the EU and EIB and other water sector donors to move water sector reform forward, envisage a potentially new water sector governance structure which would limit the current decentralization trajectory by enabling continuing PA ownership of the water utilities and bulk distribution. These multi donor discussions are very current and the outcomes are not yet clear.

are externally driven. Disbursements figures are also likely to differ across projects, depending on the nature of the specific activities financed.



Source: PID MDTF unaudited financial reports

Disbursement rates are generally aligned with projected disbursements. Total disbursements amount to US\$29.9 million, or 50.2% of the effective grant amounts (US\$59.60million) as of April 30th, 2016. This is a bit low for a portfolio of projects which are scheduled to be executed in 3 to 4 years on average. Some donors expressed their feeling that disbursements were slow, including for the emergency response projects in Gaza designed to rehabilitate infrastructure and restore municipal services after the war in 2014. Part of the reason for this is the preparation time required to launch quality small-scale infrastructure projects which involve significant rehabilitation or reconstruction work. The exception to the general trend is the NGEST project, which has suffered exceptional implementation delays over its 11 years of implementation, the majority of which are externally driven. Disbursement figures are also likely to differ across projects, depending on the specific nature of the activities supported. For example, MDP disburses the full amount of funding in two cycles, while in the water sector there are a large range of differently sized contracts that affect the disbursement ratio. The World Bank rule of thumb for infrastructure projects is an average of 20% disbursement ratio per year. The delays in PA transfers of their contributions also have an impact on the overall rate of disbursements, particularly when the contribution is linked to an essential step in project implementation.²⁷

²⁷ The PA transfers for land compensation to land owners under solid waste management projects in Gaza were delayed for over a year.

A detailed review of disbursements of PID MDTF grants against TFGWB financing for the sample of active projects (Annex 1)²⁸ shows that PID MDTF disbursement rates are systematically lower than TFGWB disbursements. This is partly because the TFGWB funds are disbursed against larger and older contracts – a valid explanation for the PID MDTF grants, which provide AF. An additional factor is the fact that the Grant Agreement signed with the World Bank is signed first as a basis for any co-financing agreement. As a result, disbursements start under the TFGWB since no other funds are available at the start of project implementation. Another explanation provided is the need to keep up disbursements for the TFGWB at the risk of not receiving the same level of allocation the following year. A notable exception is the Gaza Emergency Response AF MDP-2 Project, for which the TFGWB provided US\$3.0 million and the PID MDTF a US\$12.0 million grant; disbursements have been almost *pari passu* in the range of 80%.

To get a sense of the efficiency of the process for the grants to become available to the recipients, the Evaluation analyzed the time elapsed between the finalization of the Project Appraisal Document (PAD) and the grant effectiveness. For the six projects in the sample, the average is 92 days (Annex 2), which is pretty close to the standard elapsed time for World Bank projects. The Gaza projects may be more prone to delays. It is clear from the figures that one of the Gaza project was affected by the war (196 days elapsed between the PAD and Grant Effectiveness).

3.222 Adjustment of project objectives and design during implementation

Being used to leverage World Bank resources, the PID MDTF enables the design of bigger and more relevant projects, to achieve more significant results in a shorter time. Project managers particularly highlighted this contribution of the PID MDTF. For example, without the AF from the PID MDTF for the Gaza Emergency Water Supply and Sewage Treatment project, the original target was to improve 100,000 waste water facilities. With the PID MDTF AF, they aim to improve 203,000 such facilities; they also aim to add 90 new water wells to the program²⁹. Another example is the PID MDTF financing of the Southern West Bank Solid Waste Management Project. It enabled the JSC to not only deal with the closing of dumping sites not been previously identified, but also to introduce performance contracting in public and private sector organizations through a US\$12.0 million grant from the World Bank-managed GPOBA.

PID MDTF also has the flexibility to adjust project development objectives and/or design during implementation in line with World Bank procedures. To respond to the Gaza emergency, the project development objectives for the MDP2 were simply changed in the AF agreement. This is also clearly documented in the ISRs. When new needs emerge during implementation, in line with standard World Bank rules for project restructuring, funds can be reallocated to new activities if they are within the project development objectives ; this is

²⁸ Information is missing for the Gaza Emergency Water Supply and Sewage System Improvement Project Additional Financing.

²⁹ Source: Power point presentation to the Evaluation team of the Gaza Water Supply and Sanitation Systems Reconstruction and Improvement Project.

standard World Bank procedure. In the case of Southern West Bank Solid Waste Management project, when Mayors in JSC Solid Waste Management board were not convinced of a central land fill approach, the PID MDTF launched a technical study of alternatives to show that the land fill was the minimum technical approach needed and mayors were subsequently convinced. The study could have been financed under the AAA window.

3.223 Innovation and Cutting Edge Solutions

PID MDTF projects in both the water and urban development sectors have windows or activities promoting innovation and learning. In two³⁰ of the seven projects sampled, these windows are explicitly incorporated as project components. In the urban development sector projects, the activities include pilot projects which model approaches to key but as yet un tested areas of municipal development such as e-governance, the provision of LED services, use of renewable energy, and post amalgamation community development projects in recently integrated communities to support on-going amalgamation, resource recovery (recycling and composting of solid waste) initiatives with private sector or NGO collaboration. These pilots serve several purposes. The lessons they generate help to inform sector policy development. For example, it is now evident that a clear sector policy on the introduction of e-governance is required so that compatible software and programs are introduced sector wide, and be abided by all donors (whether they provide their support through bilateral funding or through the PID MDTF); LED services need to be supported with improved municipal planning and management skills. Pilots also help to inform sustainability strategies for municipal services. For example, the Solid Waste JSC for Hebron and Bethlehem have not only created local jobs through their waste recycling and composting pilots, they have also been able to generate net income for the JSC and help ensure the sustainability of its operations.

PID MDTF has also been able to leverage AF to support improved sustainability of municipal services. Through GPOBA which provides conditional subsidies for municipalities to finance their user fees at Al Minya Landfill, subsidies are provided conditional on the municipalities meeting a set of performance benchmarks linked to improved services and improved rates of fee collection. As a result, Hebron municipality, for example has been able to improve its rate of fee collection to meet its maximum target (46%) set by GPOBA for 2015.³¹ The World Bank is also, with the agreement of PWA and WSRC officials, leveraging support from its Public Private Infrastructure Advisory Facility (PPIAF) to the piloting of the PPP approach for projects in the water sector.³²

Lesson learned from these activities must be carefully monitored and evaluated and fed into the next round of programmatic design.

³⁰ Second Municipal Development Project (MDP-2), Southern West Bank Solid Waste Management Project

³¹ The land fill is operated by a Greek contractor for a period of 5 years.

³² These will test approaches to reducing Non Revenue Water through Performance Based Contracts with the private sector, O&M contracts for desalination and wastewater treatment plants (including with reuse), and the delegation of Water Supply and Sanitation (WSS) services in villages and small towns to small scale local private operators.

3.23 Effectiveness of the Results and Outcome Monitoring system

As discussed in Section 3.122, the Concept Note for the PID MDTF included a comprehensive presentation of the program’s expected outcomes. In addition, the standard World Bank’s procedures require that each project be supported by a results framework which details the indicators which will be monitored for each of the project activities that have been identified for the project development objectives. This section reviews the effectiveness of the monitoring and evaluation system, and whether the cross-cutting issues such as gender and accountability are well addressed.

3.231 Effectiveness of the PID MDTF Monitoring and Evaluation System

In spite of the framework presented in the Concept Note, there is no results framework for the PID MDTF as a whole. As explained in Section 3.122, the lack of such a tool made it more difficult to address some of the Evaluation questions on relevance. By contrast, all the projects in the Evaluation sample had fairly well developed results and outcome monitoring frameworks. For the most part, they had quite a number of quantitative indicators.

Altogether, the results and outcome monitoring system is transparent but could be more informative, and more clearly linked to needed strategic and operational decisions. From the review of ISRs and Aide-Mémoires, it is observed that Aide-Mémoires report quite systematically on the rating³³ of the project performance and on the likelihood to achieve the project development objectives (see Table 7, Section 3.122), while the ISRs record in detail results achievement against set performance indicators, and project activity by activity. The ratings are a “value judgement” of the World Bank’s project supervisory and managerial team, while the KPIs are quantitative or qualitative indicators documented in the Progress Reports submitted by the project implementation agency. The ISRs are public documents while the Aide-Mémoires and Progress Reports are not, but the ISRs record very little content information to support the ratings. The link between the KPIs, the performance and progress towards meeting project development objectives ratings, and the next steps of actions or decisions can generally be established. The link is not always clearly articulated in the documents reviewed such as Aide-Memoires, except for technical

³³ The ratings are:

Highly Satisfactory: There were **no** shortcomings in the operation’s achievement of its objectives, in its efficiency, or in its relevance.

Satisfactory: There were **minor** shortcomings in the operation’s achievement of its objectives, in its efficiency, or in its relevance.

Moderately Satisfactory: There were **moderate** shortcomings in the operation’s achievement of its objectives, in its efficiency, or in its relevance.

Moderately Unsatisfactory: There were **significant** shortcomings in the operation’s achievement of its objectives, in its efficiency, or in its relevance.

Unsatisfactory: There were **major** shortcomings in the operation’s achievement of its objectives, in its efficiency, or in its relevance.

Highly Unsatisfactory: There were **severe** shortcomings in the operation’s achievement of its objectives, in its efficiency, or in its relevance.

Source: IEG World Bank Performance Rating – Code Book. September 2015.

activities, such as procurement action for works or services where the next steps and decisions needed are clearly laid-out.

3.232 Addressing Gender

Gender was raised by most donors during the Evaluation interviews but is not systematically addressed in-depth in the PID MDTF portfolio. Gender equality is an important cross cutting theme in the PNDP. The World Bank strategy 2015-2016 plans to strengthen gender interventions on the basis of the gender strategy developed in FY 2014 for the West Bank and Gaza. The strategy has specific foci on the participation of women in the labor market and to making service delivery responsive to women’s needs, including measures to enhance women’s decision-making, design, and consumer voice in urban development, energy and water sector projects. The CAS also specifies the need to reach out to women in the water sector, given their prominent role in water consumption, for the development of the Energy Efficiency Action Plan, and to collect their views in citizen satisfaction surveys. Gender is recognized in the CAS’s outcome framework, under the two strategic pillars (Section 3.113). For all donors, gender is a key cross-cutting theme in their development assistance strategies. Gender equality and the role of women in development is one of the three pillars of Sweden’s development assistance strategy³⁴.

Some of the projects in the Evaluation sample explicitly mention gender and their monitoring system provides sex-disaggregated data on the beneficiary population. During the Interim Strategy, of the eight investment projects that were approved by the Board, gender disaggregated data is being tracked in seven, and as core sector indicator in five of them³⁵. For example, the MDP-2 ISRs’ systematically report on the percentage of women benefitting from the program (49%). The program also considers gender sensitivity (“family friendly”) in infrastructure design, gender capacity training for MDLF staff who engage at the municipal level. In addition, the municipalities receive capacity development packages with modules on gender included. A gender specialist is working with the project to ensure that realistic measures linked to existing processes and requirements will include gender issues, such as quotas for women and youth in the Strategic Development Implementation Plan committees and meetings. Although the gender results from such actions are not systematically reported, the Satisfaction Surveys conducted for the MDLF do make an effort to include women in the samples of interviewees and to report their views³⁶. The Mid-Term Review of the MDP-2 Project actually recommended including more gender-disaggregated data on outcome indicators, to better document beneficiaries from social projects and investments in public facilities, community centers and parks/green areas³⁷.

The Environmental and Social Impact Assessments and Action Plans are often the entry point for addressing gender issues. The NGEST project reports on the number of women and

³⁴ Sweden Ministry of Foreign Affairs. Strategy for Development Cooperation for the Middle East and North Africa 2010-2015

³⁵ CAS FYs 15-16.

³⁶ Direct Beneficiaries, Clients and Citizens Appreciation Survey 2013 and 2015. Alpha International

³⁷ MDP-2 Aide-Mémoire dated October 2015

men (50/50 of the 56,000 population) affected by the environmental impact of the contamination in Beit Lahia. The Solid Waste Management Projects in Southern West Bank and Gaza also reports on the number of female beneficiaries and they have looked in detail at the gender distribution of displaced people whose livelihood is dependent on collecting recyclables from the existing landfill sites being closed. The hiring of the first female senior employee to work at a JSC Landfill at Al Minya is noteworthy. She is financial director and is very excited to have the opportunity to work with municipalities to improve the quality of services they deliver to people.

In the Gaza Solid Waste Management Project, only one woman was identified amongst potentially displaced waste pickers. She has been working in recovering recyclables for 15 years but has been singled out by the JSC Khan Yunis Rafah Municipalities as an interesting model for women leader in the solid waste informal sector. The recommendations in the Aide-Mémoire is encouraging, i.e., that the JSC reach out to a wider spectrum of stakeholders, including women, youth of the surrounding communities, improve the documentation process of the consultations (to include minutes of the meetings/interviews and timely agreed upon actions, photos and records for participants), and ensure that an efficient grievance mechanism is well announced and functioning to serve the affected communities. In sum, the way gender is presently addressed is a good beginning but far from reaching one of the goals of the World Bank strategy to bring more women into the labor force. The Evaluation took note that the Bank’s Gender Action Plan for Palestine is currently being updated and is to include a specific tracking system for the PID MDTF co-financed operations.

3.233 Accountability

Three dimensions of accountability are reviewed in this section: financial, environmental and social. The focus is on project design and implementation. The question of financial reporting to the donors on the PID MDTF itself will be addressed in the next Section on management and institutional accountability.

The PID MDTF financial accountability system for recipient-executed grants is quite rigorous and transparent. The World Bank provides precise guidelines to implementing institutions on how to keep the accounts for the grants, so that all the funds can be precisely accounted for. These guidelines are backed up by rigorous procurement and contracting and disbursement procedures. The accounts have to be audited by independent auditors annually. The World Bank financial management specialists exercise the due diligence independently of the technical staff. The World Bank also provides direct TA in all these areas in order to build the capacity of implementing institutions. In all the projects in the Evaluation sample, financial accountability is rated satisfactory: financial and accounting systems are in place, reporting is timely, and audit reports are unqualified. In terms of public accountability, the public disclosure copy of the ISRs includes the disbursement data. However, the readership for such documents is probably limited. The audit reports for the projects are also available on the Bank’s public website.

In the Palestinian context, the more interesting dimension of financial accountability is the

work undertaken by the MDLF under the MDP-2 to improve the governance and transparency of municipal management. One of the criteria for municipalities to graduate from one category to the other (from C to A), is the consultation process to prepare budgets and public disclosure of budget execution and contracts to the citizens. In other sectors, the work done by the Water Regulator and the JSCs to compare the rates of public services for waste collection, water and electricity has been an incentive to improve both the rate of collections and the quality of service; both are key to the sustainability of investments in those services.

Environmental accountability is systematically addressed in the PID MDTF project portfolio. The environmental projects are scrutinized and classified in accordance with World Bank procedures. Full Environment and Social Impact Assessments have been undertaken for the Solid Waste Management Projects; implementation of the resulting Environmental and Social Action Plans has been a cause of procurement delay in Gaza³⁸. Very detailed attention has been paid to the resettlement of waste pickers from the closed landfills, and should be noted as best practice³⁹. Environmental protection (prevention of leachate at the landfills, recuperation of the lake at Beit Lahia in Gaza, and monitoring of water quality in wells) has been one of the key objectives of the waste water and sanitation projects and waste management projects, including investments in monitoring stations and staff training.

In the MDP-2, the MDLF is responsible for ensuring the environmental soundness of the projects undertaken by the municipalities. “MDLF is keeping on board experienced environmental staff who supervise the implementation of the Environmental and Social Management Framework (ESMF), screening of the sub-projects, reviewing the Environmental Management Plans (EMPs), and monitoring compliance. In addition, local technical consultants are hired to give beneficiary municipal engineers hands-on experience on environmental management and building their capacity to implement the EMPs and monitor the performance of the contractors. Minor environmental issues are caused by the sub-projects implemented under the project, namely dust, noise, access disruptions, safety issues, and accidental damage to other municipal facilities. Those impacts have been adequately managed by municipal engineers [to improve] the performance of contractors.”⁴⁰

Public disclosure on environmental accountability is uneven in the project sample. The ISR for NGEST is the most explicit; the latest one for MDP-2 is silent on the subject⁴¹.

The social accountability approach adopted by the PID MDTF varies across projects.

³⁸ Issue of compensation payments for land acquired from farmers.

³⁹ The Evaluation team had the opportunity to meet with one of the waste pickers who lost his previous job but was reintegrated in the Operational Team at Al Minya landfill. Although his net income is less (because of higher transportation costs to go to work), he expressed his satisfaction both with the process used before the landfill closure, whereby working conditions were improved even before the landfill closure, and with the current working conditions at Al Minya. He felt a valued member of the Al Minya workforce.

⁴⁰ Aide-Mémoire of Mid-Term Review, October 2015.

⁴¹ ISRs dated May 2016.

Projects in the urban development sector are designed to address accountability gaps (between government and citizens) through a range of funded municipal activities including public awareness campaigns, inclusive planning activities, public disclosures and capital investments (Citizen Service Centers), developments of grievance mechanisms. The results of these activities are monitored during implementation through a range of quantitative indicators and periodic beneficiary satisfaction surveys. This approach is not replicated in PID MDTF projects in the water sector, despite the recognition that absence of public behavior change is a key risk to longer-term sustainability of water infrastructure.⁴² There are no project activities or indicators in water sector results frameworks which allow improvements in joint government/citizen accountability to be assessed.

The impacts of the social accountability approach in PID MDTF projects in the urban development sector are mixed. While Aide-Mémoires have noted that results of Social Accountability pilots are ‘encouraging’, the Beneficiary Satisfaction Assessments carried out for MDLF show a more nuanced picture, with beneficiary satisfaction ratings of the overall transparency of municipalities and levels of public participation showing a slight decrease over the MDP-2 implementation period.⁴³ In positive contrast, however, beneficiary satisfaction with the overall quality of municipal services has improved over the same period. This is particularly true of Gaza water customers, who registered a remarkable increase in satisfaction with the quality of water – from 22% to 82%.⁴⁴ Quantitative and anecdotal evidence provided by the Southern West Bank Solid Waste Management project confirms the multi-level impact of this intervention, with several municipalities hitting their maximum yearly targets for fee collection rates, increases of land prices around the landfill, and increasing numbers of jobs created in waste recovery in the private sector in Hebron. The evaluation took note that the World Bank is scaling-up its support to enhanced Citizen Engagement and Social Accountability across the portfolio, including the water sector and other operations that would be eligible for co-financing under the PID MDTF.

3.24 Lessons Learned

During its first three and a half years of existence, the PID MDTF has been quite effective in pooling donor resources – financial or human resources—to support sector policy reforms and investments in water/waste-water, urban development and solid waste management. However, since the basic strategies were already defined, the PID MDTF mechanism has not

⁴² For example, in the risk mitigation strategies of the PAD for the Third Additional Financing for NGEST, Public behaviour change is cited as a risk to long term project sustainability; in the Water Sector Capacity Building co-financing fund, the TPAT work surfaced the need to improve the PWA customer interface.

⁴³ The score for beneficiary satisfaction with public participation decreased from 23.2% to 19.5%, and that of transparency from 37.3% to 34.8%. The transparency indicator includes an assessment of public perceptions on public participation, public notification and disclosure. *Source: Direct Beneficiaries, Clients and Citizens Satisfaction Assessment (end of cycle I), Final Report, submitted by Alpha International, to Municipal Development and Lending Fund (MDLF), November 2015.*

⁴⁴ Satisfaction with the efficiency of the water services – including continuity of service and municipal response to problem solving –however, remain essentially the same over the period. The remarkable increase in satisfaction with the quality of water can be attributed in part to the impact of the PID emergency water response project in Gaza which rehabilitated water infrastructure in many areas of Gaza, re-connecting communities to piped water.

yet substantially influenced the strategic objectives for those sectors. By contrast, the PID MDTF has been very effective in mobilizing donors on the strategic objective of urgently restoring basic services in Gaza after the 2014 hostilities with Israel.

Since the projects are still under implementation, it is also too early to say if the projects will fully meet the PID MDTF development objectives and the corresponding needs of the PA and national priorities. Many of the obstacles to the performance of the projects which are reported in progress reports and were discussed during interviews are actually attributed to weaknesses in the protracted reality on the ground, including the Palestinian division and its implications on West Bank-Gaza relations, the performance of the PA and the Gaza de facto regime in Gaza, as well as in the tense political context of Israel’s controls over the movements of people and goods that constrain the implementation of project investments.

The impact of the PID MDTF is also not yet visible in a number of areas, such as improvements in social accountability to ensure the sustainability of municipal services or the increased participation of women in the labor force. Likewise, it is yet to be seen if other donors will join the PID MDTF, either as contributors to the fund or as privileged partners in the three sectors.

3.3 Management and Institutional Accountability

Three questions are addressed in this section:

- Has the PID MDTF been administered in a cost-effective and transparent manner in view of its objectives, and to what extent has the program effectively managed its rapid expansion as a result of the Gaza 2014 war?
- Is the PID MDTF managed in a transparent manner, in terms of resource allocation to activities, reporting, monitoring and evaluation?
- Has the program’s governance structure adequately supported the success of, and accountability for, results?

Four themes will therefore be reviewed sequentially: the cost efficiency to administer the program and its capacity to absorb donor funds; the transparency of the grant allocation process by the World Bank and the reporting to donors; the adequacy of the governance structure to ensure results and accountability; and communications.

3.31 Cost efficiency and Absorptive Capacity

To date, the management of the PID MDTF is definitely cost effective, from the perspective of the World Bank, of the donors, and of the recipients. In the Concept Note it was envisaged that the management costs for the MDTF would amount to no more than 5% of the paid-in contributions: 2% to cover the overhead costs of the Central TF Department of the World Bank and up to 3% for the management and administrative costs of the TF by the Country Management Unit which covers West Bank and Gaza. The 2% for overhead costs are deducted from the paid-in amount upon receipt.

As of August 2016, a grant of US\$200,000 had been allocated to cover the management and administrative costs, but only US\$21,000⁴⁵ had been disbursed. This amounts to 0.02% of paid-in contributions, 0.07% of grant amounts disbursed, and 0.03% of grant amounts allocated. In spite of the increase in funding and in grant allocations, the Bank has increased its charges to the PID MDTF. This low management and administrative expenses compare favorably with other multi- donor TFs, such as UNDP, which charges 7% of contributions, 3% to support headquarters, and 4% for project management and administration.

The low use of PID MDTF funds to cover the management and administrative cost of the program is explained by the fact that the World Bank has absorbed most of the management and administrative costs into its regular budget for project preparation, appraisal or supervision and AAA. Since most of the grants are for co-financed projects with the TFGWB this is understandable but does not reflect the true cost of administering the program⁴⁶. The rate of disbursements of the grants is fairly low as discussed previously (Section 3.221) while donors are requested to renew or increase their contributions. This replenishment imperative is driven by World Bank procedures which require that projects be fully funded prior to submission for Board approval.⁴⁷ Now that the Country Management Unit has recruited an operations officer to assist the PID MDTF manager, the costs will rise but will remain significantly below the 3% of paid-in contributions or even of project allocations.

3.32 Transparency in grant allocations and reporting to donors

The grant allocation process is quite transparent. Total funds available for any project are the sum of Bank funding from the TFGWB, at times parallel donor financing, and the PID MDTF Fund allocation is decided as part of the Bank’s project preparation and review process and every project co-financed under the PID MDTF follows standard Bank procedures. Final allocation decisions are made by the World Bank Country Director in close dialogue with the TTLs and their teams and is a function of priority funding needs and fund availability.

The preparation of grant applications is the responsibility of the TTLs. In the case of a new project such as the MDP-2, the start of the process is the project preparation when the Bank assesses opportunities for co-financing with donors. By the time of appraisal, the TTL seeks to complete the financing plan. The grant is proposed to the Board at the same time as the project. Requests for grants for AF are initially recorded in the Supervision Aide-Mémoires or prepared after such a mission. The proposed expenditures from the grant have to fit within the project development objectives. In exceptional cases, such as for the Gaza

⁴⁵ As of February 29 2016

⁴⁶ The Evaluation team did not deem relevant for this Evaluation to request the World Bank administrative budget data.

⁴⁷ For example, if \$100 million under the PID MDTF are committed in grant agreement with the client (regardless of the disbursement rate under these grant agreements) and only \$5 million are left uncommitted in the PID MDTF, a project that requires \$10 million of co-financing cannot be submitted for approval.

Emergency AF grant for the MDP-2, the project development objectives are modified to fit the need.

The reporting systems to donors are also quite transparent, if not always user-friendly.

Donors can access on-line all the financial information concerning the PID MDTF through a dedicated client website⁴⁸, once they know how to drill down the data. A few donors have indicated that the security system (“firewalls”) in their ministry does not allow them to access the site. The staff responsible for monitoring the information has to access the site from home.

Project ISRs are available on-line, but most are not very informative as they are public documents. The presentation of the ISRs seems to vary from project to project, and some are very difficult to read (e.g., MDP-2). Donors receive the Aide-Mémoires and relevant copies of correspondence with the PA for the activities in which they have expressed an interest to the World Bank. These are very informative. Some projects, such as the MDLF-implemented MDP I and II, have beneficiary satisfaction surveys which document project outcomes and are rich in information. Some of the results are reported in the Aide-Mémoires but donors usually do not ask to see them. Other projects issue dissemination notes such as the note published by IFC on the GPOBA experience at the Al Minya landfill. Many of the projects do not have their own project-specific website, but recipients do list projects co-funded by PID MDTF and other donors, but generally only provide a narrative overview of the project.

The World Bank is supposed to provide periodic progress reports, an Annual Report on the progress of activities and a financial report. Although the reporting has improved, these reports do not always contain sufficient information for the donor agencies to prepare public disclosure reports for their constituencies on the use and benefits from their contribution through the PID MDTF. The report for the Annual Meeting of the OG might also contain an issues/action plan note which could be discussed at the meeting and followed-up afterwards as the joint agenda of the donors. The Evaluation took note that further improvements are underway.

3.33 Adequacy of Governance Structure for results and accountability

The Governance structure of the PID MDTF is very simple. It consists of an OG that includes the World Bank, the PA and the donors. The OG was initially chaired by the World Bank, and the PA was to participate through its ministries of finance and planning; it is now co-chaired by the World Bank and the PA Ministry of Finance. The Ministry is free to invite other relevant ministries and institutions. All contributing donors are invited to attend. The OG is supposed to meet at least once a year.

The current Governance arrangements of the PID MDTF do not fully respond to donors’ expectations. The governance structure is very simple and fine in principle. The

⁴⁸ <http://documents.worldbank.org/curated/en/home>

shortcomings identified by development partners relate to the conduct and content of the meetings. The first meeting of the OG took place in February 2014, and it has since met twice. The participation of the PA has been uneven. All donors feel that the PA is not sufficiently engaged, and that its ownership of the PID MDTF is not visible; lower level technical people attend the OG meetings.

The OG meeting agendas prepared by the World Bank are not always well aligned with donors’ expectations, although the agendas, prepared by the World Bank are sent in draft to development partners for suggestions for additional agenda items. Agenda items include straightforward reporting on the implementation progress of projects and a presentation of the Annual and Financial report. Donors expect to engage in policy dialogue around sector issues. From their experience with an Education-MDTF, they expect the OG meeting of the PID MDTF to be a mechanism to agree on the priority issues to be addressed either through the World Bank or through their own senior level bilateral dialogue with PA institutions. For example, the OG is seen as a relevant forum for an in-depth discussion of the implementation lags in water sector reforms. PID MDTF donors meet among themselves prior to and between the OG meetings, more to exchange information on their respective programs and engage in policy level discussions than to establish a strategic agenda. The Evaluation notes that the Bank is proposing to have more frequent meetings on sector and policy issues, but to retain the current practice of bi-annual OG meetings suggested in the Administrative Agreement.⁴⁹

3.34 Communications and knowledge management.

Communications between the World Bank and contributing donors can be improved. Communications between contributing donors and the World Bank staff are very good at the personal level and with Mission teams, and the transition of TTLs is seamless. However, communications are poor at the institutional level. Because of the lack of policy dialogue in OG meetings, some donors feel uninvolved and insufficiently associated with decision-making on the strategic directions for the PID MDTF. The Evaluation took note of the Bank’s determination to have more frequent meetings with donors, in particular to strengthen policy dialogue and PA engagement. There is also a feeling that the World Bank does not follow-up on the issues they raise, such as the weakness of the result framework and the insufficient attention paid to gender. Donors are well satisfied with the efforts exerted by the World Bank to bring Gaza implementing partners to the West Bank for regular information exchanges to mitigate the lack of a regular presence in Gaza. However, concerns were expressed to the Evaluation team that the World Bank also appears unaware of donors’ own constraints: last minute information on certain field missions does not allow them to get permission to travel outside their country or to get permits to go to Gaza. Donors also want to be informed of the MDTF exit strategy and procedures. Some donors did not understand why they had been asked to approve the extension of the PID MDTF from 2018 to 2022 when their funding has still not been fully expensed. This replenishment imperative is driven by the procedures of the World Bank, which requires that all funding must be fully secured before any project is approved (see also footnote 49 above).

⁴⁹ See Recommendation #4

Communications with non-contributing donors can also be improved. Several of the donors in that category had not heard of the PID MDTF even when they are active in the same projects through bilateral financing, or when they have worked closely with the World Bank to address some of the issues. USAID in particular claims a very good working relationship with World Bank staff at the level of project implementation but would welcome an opportunity to be more informed on - and involved in - discussions on how to move the policy reform issues forward with the PA through a platform like PID MDTF. The Evaluation took note of the Bank’s intention to reach out to other donors more regularly.

More significantly, there is a concern that the World Bank uses the PID MDTF to promote the introduction of financing instruments in the West Bank and Gaza which are still regarded as controversial by development partners. The most vivid example brought to the attention of the Evaluation team is the proposal to use the new lending instrument – (*PforR* - for the next phase of the MDP. The Board of the World Bank approved the *PforR* in January 2012. It “ties the World Bank payments to the client’s delivery of results than strict adherence to pre-approval of measures as a condition for managing risks by borrowers of concessional resources from the Bank.”⁵⁰ During public consultations about the proposed instrument, significant concerns had been expressed by a range of institutions and civil society, in particular that it required a level of institutional maturity that few recipient countries had, and that there would no longer be the required environmental and social safeguards. The Board of the World Bank approved the *PforR* lending instrument with the provision that the Bank’s management and the Independent Evaluation Group (IEG) would undertake an evaluation of the results.

The Evaluation recognizes that the Bank has only a few financial instruments to implement its program in the West Bank and Gaza unlike in other countries, where the Bank can use a broad range of lending instruments. The Bank has also pointed out that decisions on the financing instrument are made by the PA in consultation with the Bank, and PID MDTF co-financing follows the financing instrument of the original grant. However, in spite of extensive discussions in 2014-2015 on the *PforR*, PID MDTF donors have echoed, to some extent, the concerns expressed during the public consultations and reflected in the Board discussion. Before using this lending instrument for the next phase of the MDP, they would like to see an evaluation of where it has worked and how it has worked. Such a report *Program for Results Two Year Results*, dated March 17 2015 exists and the World Bank will make it available again to the PID MDTF donors. Although the World Bank has held various briefings on the *PforR* since 2014 and is launching a Local Governance and Services Improvement Program for Results (approved by the Board in November 2015), PID MDTF donors are legitimately reluctant to change the funding procedures of the MDP through the MDLF which now work well, while the PA financial institutions continue to be very weak.

⁵⁰ Vince McElhinny (Feb. 2012). <http://www.bankinformationcenter.org/wp-content/uploads/2012/12/BIC+P4R+update+final+2.27.12.pdf>
See OP 9.0 Program for Results (Feb 2012); World Bank, “A new instrument to advance development effectiveness: program-for-results financing” (Dec. 29, 2011)

Knowledge sharing across the MDTF portfolio also merits some improvements. The Evaluation team uncovered several best practices which could benefit implementation partners of other projects, or which could benefit the design of future projects in the West Bank and Gaza or other countries. For example, the work to document the water tariffs applied by various municipalities that the WSRC is doing could benefit the JSC (Hebron and Bethlehem) which has undertaken a similar documentation exercise on solid waste management. Associating donors and implementing partners to share knowledge could strengthen the sense of working within the same program. The Evaluation took note that the Bank intends to address this question.

3.35 Lessons learned

The Evaluation retains at least three main lessons the review of the Management and Institutional Accountability aspects of the PID MDTF.

Using the standard World Bank accountability tools and processes is not sufficient to secure donors’ satisfaction with and engagement in the program. Donors are most appreciative of the effort the World Bank is deploying to lead a successful program, at least in water and waste-water, urban development and solid-waste management. They recognize the remarkable level of competencies as well as the willingness of the World Bank to absorb the management and administrative costs of the program into their regular budget.

A more dynamic governance structure would help engage the PA and donors on strategic policy and programmatic decisions. The current OG does not currently foster donor engagement; it is more akin to a reporting mechanism to fulfill the fiduciary obligations set out in the PID MDTF Concept Note. The Bank is proposing to hold more frequent meetings on sector and policy issues to strengthen donor engagement in policy dialogue.

A more structured communications strategy, including knowledge management, would help leverage the World Bank’s expertise and commitment to the group of donors and other experts who are keen to see concrete results and outcomes, as well as innovation, from a program which is so important for improving the welfare of the Palestinian population and to build Palestinian institutions. Improvements in this area would benefit the design of new projects and programs within the PID MDTF community as well as with other stakeholders involved with or interested in the same sector issues. Furthermore, this would make the PID MDTF a better known, more attractive and effective instrument to potential donors and to Palestinian institutions. Building up a clearer consensus on issues, potential remedies and innovative solutions would help mitigate perceived implementation risks. The Evaluation notes that the Bank has recognized the need for an improved communications strategy and will be addressing this.

3.4 Sustainability: Challenges for the PID MDTF

There are three basic questions:

- Are the outcomes of the PID MDTF activities sustainable?
- Is the PID MDTF a sustainable mechanism for pooling donor resources for water, urban and energy investments?
- Can the PID MDTF be sustainable without extending its activities in Area C?

3.41 Sustainability of PID MDTF activity outcomes

The response to the first question is not within the full purview of this Evaluation. It would require a deeper analysis of the overall situation in West Bank and Gaza, in particular on the prospects for a radical change in the economic situation, as well as in the political relationship of the PA with Israel. It would require also a deeper analysis of the projects, which is not the objective of the Evaluation. The Evaluation team did, however, provide its analysis of the magnitude of the potential risks to be addressed going forward by comparing the ratings presented in the Concept Note with its own assessment based on a review of the projects sampled and interviews conducted over the course of the Evaluation.

Table (11): Assessment of Risks at Mid-term

Description of Risk	Magnitude of Risk		Mid-Term Evaluation Comments based on review of projects sampled and interviews
	CN	MTE	
Risk of donor capture – contributing donors may want to influence the direction of the Interim Strategy to fit their institutional agendas, or may want to earmark funds for specific activities.	Low	Low to Moderate	Donors are aware that their funds cannot be earmarked in a multi-donor TF. The risk of donor capture of their sector priorities may increase if the OG is going to play a more active role in the grant allocations.
Given the significant number of donors involved in supporting the Palestinian water and urban development sectors, there is a risk of overlapping or conflicting advisory support and assistance (a specific intention of the fund is to mitigate this risk).	Moderate	Moderate to high	The Mid-term Evaluation observed that multiple donors, including International Non-Governmental Organizations, are involved in the area of citizen engagement at the municipal level at the risk of contradicting what the MDLF has achieved through PID MDTF, because experience sharing is limited and at times, because of non-PID MDTF donor procurement procedures (e.g. e-government)
The capacity of PA agencies to implement the projects and programs to be supported by the Fund may be inadequate to achieve the fund’s goals in the time frame envisaged.	High	Low to moderate High	The TA provided for capacity building seems to have yielded good results with MDLF, the CMWU (moderate) the JSCs (low in Hebron, Moderate in Gaza) and related municipal services Departments. PWA has not yet demonstrated its ability to lead the implementation of the water sector reform process
Institutional rivalry and competition for resources may undermine the effectiveness of activities supported by the Fund and lead to confused reporting arrangements and lines of	Moderate	Moderate to high	Institutional rivalry between PWA and other water sector institutions, and between water institutions and the MDLF-supported water sector activities. Also, there is a lack of clarity as to which

authority for TA.			institution will benefit from improved tariff collections and cost recovery.
In the absence of peace and reconciliation, the WB&G will not be able to recover both politically and economically. Lack of forward momentum on the political front may affect public support for the PA and thus affect the Bank’s ability to operate in WB&G;	High	High	Still no progress on the political front and limited progress in solving project-level issues between the PA and Israel (e.g. disposal of settlers’ solid waste at Al Minya).
Political tension within the West Bank and Gaza and with Israel could degenerate into violence. This would have serious consequences for the Bank’s projects.	Moderate	High	Eight outstanding CMWU staff was killed during the 2014 Israel-Gaza hostilities. Increased tensions and violence since 2015 has led to reductions in field missions and donor participation in supervision missions, including for the mid-term Evaluation.
The separation of Gaza and the tensions between the PA in the West Bank and the de facto government in Gaza continue to impact the fabric of the Palestinian society. Israel’s physical, administrative and regulatory restrictions in the West Bank and blockade of Gaza with sporadic military interventions heavily impact the PA’s ability to implement its national plans. Despite a limited easing of the access and movement restrictions by Israel, the situation, particularly in Gaza, prevents private sector growth.	High	High	No progress made on issues raised in Concept Note. In addition, the PA has not demonstrated its ownership of the PID MDTF or of the NDP.
Lack of timely provision of PA funding hampers implementation of most of the projects		High	New risk. Lack of timely provision of PA counterpart financing is disrupting project implementation.

3.42 The sustainability of the PID MDTF mechanism

As to the sustainability of the PID MDTF mechanism, it is contingent upon the attractiveness of the mechanism to donors. In other words, does the mechanism provide a sufficient advantage to donors as compared to other funding mechanisms and multi-donor platforms?

The PID MDTF is definitely attractive in terms of its management and administrative efficiency, with very low overheads. Through the World Bank, PID MDTF also provides a superior level of technical support to project portfolio design and implementation. PID MDTF has also demonstrated that it can be effective in donor coordination, both in an emergency situation but also in longer-term initiatives such as providing support to the MDP

through the MDLF, improving the harmonization of both small and large amounts of donor assistance. There is a strong and increasing donor demand for an effective coordination mechanism, at least in – and across - the three sectors currently covered by the PID MDTF: water, urban development, and energy.

However, the weak ownership of the PID MDTF process by the PA is worrisome, although the Evaluation did take note that line ministries have a strong ownership of and commitment to their sub-sectors and do not necessarily distinguish between the different TFs providing sector financing, but rather engage directly with the donors active in the sector including PID MDTF donors. Because of the cross sectoral nature of PID MDTF activities, it is essential that there is a strong PA presence in meetings and deliberations of the PID MDTF. A stronger and more strategic participation from the PA in OG meetings would assist the PID MDTF to better harmonize and align its interventions with PA priorities across the infrastructure sub sectors targeted. It may be that the Ministry of Finance is not the right PA partner for co-chairing the mechanism and that more effective leadership could result from the stronger involvement of the Prime Minister’s Office, which is playing an increasingly active role in fund and resource mobilization to support PA Planning. However, the Evaluation recognizes that the PID MDTF cannot replace the policy making bodies of the PA. An additional area of concern for donors is that PID MDTF does not yet provide them with a more strategic platform for strengthened engagement in policy dialogue for influencing decision-making at sectoral and national level. Donors want to be more closely involved in resource allocation and policy decisions at a more strategic level. They also seek a multilateral platform which can generate collective messages that can be used for their own bilateral needs, both with the PA and with their own domestic constituencies.

3.43 Infrastructure investments in Area C

Within PID MDTF project documentation, there is some mention of the implications for the longer-term sustainability of infrastructure investments of the constraints imposed by Israel through the control of Area C, which limits Palestinian access to and construction on 61% of the land available in the West Bank.⁵¹ Israel considers that settlers are legitimate members of the communities living and working in Area C. The Al Minya landfill, sited in Area C, is only permitted to operate by the Israeli authorities if settlers are permitted access to the landfill services for their solid waste needs. As a result, settlers are, under military escort, using the solid waste infrastructure, dumping 5-6% of the daily total of solid waste. The JSC-Hebron Bethlehem is not accepting fees from the settlers, despite Israel’s offer to pay significantly higher rates than Palestinian municipalities to allow the JSC to recover its investment costs. Accepting such fees would mean de facto recognition of the legitimacy of the settlements.

The long-term sustainability of the landfill is thus at significant risk. In the medium-term, resources may be insufficient to pay the private contractor operating the landfill, thus prejudicing the involvement of the private sector in future infrastructure development. PA

⁵¹ 2013 World Bank report; ‘Area C and the future of the Palestinian economy.’

policy in such matters is clear⁵², but no clear operating procedures have been developed for municipal authorities to manage such situations. As a result, precedents have already been set by some municipalities in the West Bank who are paid indirectly or directly by the Israeli Civil Administration for allowing settlers to dump their waste in the West Bank located landfills.

⁵² Settlements are illegal under International Law. The PA’s declarations and statements on settlements are absolutely aligned with International Law.

4. Conclusions and Recommendations

Should the vision and objectives initially retained for the PID MDTF, or those subsequently adopted, be retained or changed? Should the program design and implementation arrangements be kept or adjusted? The main question addressed in the following conclusions is therefore: Is there room for improving the efficiency, transparency and quality of the program in order to maintain the attractiveness of the PID MDTF mechanism?

4.1 Main Conclusions

The PID MDTF is a major achievement in terms of improved aid coordination and harmonization, through donor fund pooling and streamlining of bilateral aid administration through a common framework of fiduciary management, reporting and evaluation. PID MDTF has also upgraded and enriched donor coordination in two of its three infrastructure sectors and enhanced and sustained cooperation with non-fund donors.

The PID MDTF has proved to be a valuable instrument for the World Bank and participating donors to respectively leverage their funding to the water and urban sectors, and keep their engagement when confronted with limited or dwindling aid resources. The pooling of human resources and the capitalization of World Bank expertise is a great asset of the PID MDTF. The flexibility and efficiency of the PID MDTF has also demonstrated its comparative advantage as an emergency funding facility.

The Program has demonstrated its value-added for the reform process in water and urban development. The projects in the PID MDTF portfolio are definitely relevant and effective towards achieving the objectives of the PA NDP and PA institutions for capacity building and environmental protection; World Bank and donor strategies, in particular on governance, environmental protection, and improved infrastructure services. Most importantly, the PID MDTF projects have benefited the Palestinian people in West Bank and Gaza, who have already experienced positive welfare outcomes from improved service delivery. The PID MDTF also has strong comparative advantages with other multi- donor platforms in area of technical quality of programming (global experience and good lessons) fiscal transparency, efficiency of operation and in certain cases, effectiveness.

The PID MDTF has not yet reached its full potential but this can be resolved if a way can be found to use the governance structure for a more effective dialogue with the PA on priorities for reforms and investments, to improve the identification of expectations through a clearer results and outcomes framework, and to communicate better with current and potential donors. Looking forward, the PID MDTF could also consider new directions, such as associating the private sector as investors to the PID MDTF platform, introducing a competitive window for private sector innovation, and, depending on resource availability and the Bank’s comparative advantage, adding other important infrastructure sub-sectors such as transport.

The PID MDTF continues to be faced with major risks, which may affect the long-term viability of the mechanism as well as the sustainability of the projects it finances. These risks include the lack of PA engagement, and the lack of leverage on Israel. The PID MDTF donors, even collectively through a mechanism like PID MDTF, have little leverage on Israel. In order to have leverage, you need a partner who has a stake in the partnership. You need a partner who wants to cooperate.. Other risks include the uncertain financial sustainability of the investments due to lack of economic recovery to reach full cost recovery for services and the lack of civic engagement to pay the bills for services.

4.2 Recommendations

The Evaluation recommends the following strategic priorities:

- 1. Position itself as a recognized leader on infrastructure policies and reforms vis-à-vis such potential partners as the Quartet, Israel, USAID and other donors (Turkey, Qatar).** This would include developing its capacity for more effective representation to Israel. As a trust-worthy partner under the leadership of the World Bank, the PID MDTF could have a transparent protocol on the processes to advance sustainable solutions for infrastructure investments, thereby facilitating implementation and reducing donors’ collective frustration at the opaqueness of the current situation.
- 2. Strengthen the PID MDTF from a collection of projects to a true program, with clear strategic objectives, and a programmatic results and outcome framework** with appropriate KPIs, including gender. As part of the upcoming preparation of the Bank’s Assistance Strategy for FY18-20, during which the Bank proposes a close consultation with development partners, including on the strategic direction of the PID MDTF, a simple strategic document (more strategic than the initial Concept Note) for the PID MDTF could provide the foundations for the preparation of a 4-year ‘business plan’, with clear funding and fund-raising objectives. The Business Plan would be adjusted every two years as the World Bank revises its strategy. The preparation of such a short document is timely as the World Bank has recently proposed to the donors to extend the MDTF from 2018 to 2022, and the World Bank is already carrying out sector analytical work in water⁵³, urban development⁵⁴ and energy⁵⁵. A revised results and outcome framework at program-level would allow complete response flexibility, could usefully attribute PID MDTF achievements, help guide the determination of criteria for grant allocations, and support a program rather than project approach.

This implies that the PID MDTF’s current objectives would need to be articulated at a higher level of development impact. The framework could address and measure the more overarching objectives of the instrument itself from the perspective of the World Bank and its development partners, such as: enhance development financing through fund pooling, operational leveraging; better align of donor assistance with PA priorities

⁵³ Water Sector Aide-Mémoire dated 2016

⁵⁴ Preparation of MDP 3 – Interview with TTL

⁵⁵ Palestinian Energy Brief PID MDTF, September 19 2016.

for infrastructure; provide a platform for policy-focused sectoral discussions and knowledge exchange; optimize efficiency of implementing partners’ portfolios and reduce the administrative burden on PA institutions; and, where relevant, influence sector policy and strategies, increase client capacity, and generate innovative solutions.

At the same time, end of project beneficiary surveys (following the MDP example) could strengthen and harmonize the focus on project outcomes (e.g. improved access to utility services, equal access regardless of gender or location, improved and more sustainable quality of life, increased private sector participation) regardless of the project level objectives. Such a framework could measure both project and PID MDTF performance and impact, ensuring attributable achievements relevant to PID MDTF’s overall mission and implementation strategies. The Results Framework would be aligned to a Business Plan, which would formulate thematic areas⁵⁶ for PID MDTF based on past and future interventions, feedback from the PA and donors, and evident gaps in existing tools and programs. The Business Plan would be adjusted every two years as the World Bank revises its strategy.

The Evaluation also recommends the following operational recommendations:

- 3. Set up a communications strategy**, that would include a smartly designed website, to facilitate knowledge sharing, periodic reporting both on projects or on specific issues and on key implementation milestones, links to key documents and a donor-restricted data base, and the publication of ‘success stories’ that donors could use to satisfy their constituencies. This would also improve the overall sense of transparency with which the PID MDTF is run. The PID MDTF should also organize knowledge-sharing events and advocate more visibly and vocally for the PID MDTF at donor forums, informal meetings, and field visits and through press releases, as a mechanism that can strongly support sector reform, promote the sustainable development of PA institutions, and serve the priority needs of the Palestinian people and their economy. The Evaluation took note of the Bank’s intention to develop and implement such a communications strategy.

- 4. Hold more frequent and more policy-focused sectoral meetings separate from OG regular bi-annual meetings to engage donors in policy discussions and broaden these meetings to include non-PID MDTF donors.** Strengthened cooperation with non-contributing donors such as USAID and Japan is critical to address strategic issues in the infrastructure sector. USAID has a huge program in West Bank and Gaza and very close ties to the PA and to Israel. There is much to learn from them, and possibly enlist them in common action to facilitate the implementation of infrastructure programs and address key sector concerns particularly in the water sector with the PA and Israel. The evaluation recognizes the limits of the scope of the PID MDTF in aid coordination and acknowledges the current aid coordination architecture already in place through the LACS process, which is directly supported by many of the PID MDTF donors.

⁵⁶ It is hard for the Evaluation to make more concrete recommendations on this as we don’t know which thematic areas the World Bank will retain in its strategy.

Recommendations from the recent LACS evaluation may help to inform the form and content of these proposed PID MDTF policy-focused sectoral meetings (see below).

The Evaluation initially proposed that the OG consider setting-up an Executive Committee of donors (with 2-3 members, with rotating composition from year to year) to work with the World Bank on strategic issues before OG meetings (see below ‘going forward’). Such a Committee would secure participatory donor engagement beyond sector issues as it would prepare positions on the strategic options for the PID MDTF and possibly review the proposed additions to the grant portfolio. However, feedback from the World Bank and Development Partners during the Annual OG 2016 meeting highlighted the need not to overburden the OG and keep the participation in the OG meetings at a reasonable level. In order to avoid a heavier bureaucratic structure, such preparatory work could be done through the periodic sectoral meetings proposed. The OG should continue to meet formally at least once a year, and, in addition, hold two or three *ad hoc* meetings as needed, to address specific issues (sector reforms, negative lending, lending instruments etc.). A stronger and more strategic participation from the PA in OG meetings would assist the PID MDTF to better harmonize its interventions with PA priorities across the three sub-sectors targeted. The evaluation recognizes, however, that the PID MDTF cannot replace the policy making bodies of the PA. These proposed policy-focused meetings, attended by non-PID MDTF donors and guided by the World Bank, would be major steps forward in terms of oversight efficiencies, and strengthen the design and scope of the PID MDTF.

- 5. Expand the grant portfolio to include more analytical work.** Besides doing more work in energy (including renewable energy and energy efficiency) and other sectors, it would be worth considering using the MDTF as a learning facility which would do more analytical work on sector issues, or on such cross-sectoral issues as net lending, decentralization and the potential viability of local governments, and municipal tariffs across utility services (water, solid waste, energy etc.), and gender in infrastructure. The Evaluation took note of the work underway to grow the analytical portfolio.

4.3 Going forward

Recognizing that work still needs to be done to strengthen the PID MDTF, the Evaluation reflected on elements to develop a longer-term vision for the PID MDTF. These include:

- The PID MDTF could consider inviting the private sector to be associated to the platform as an investor to the infrastructure sector.** It could be a venue for the rich Palestinian Diaspora keen to contribute to the development of Palestine. The experience of the World Bank in PPPs in the energy sector for example is well documented through the ESMAP and other infrastructure programs.⁵⁷ This would be aligned with the World Bank’s strategy for the West Bank and Gaza to get the private sector more heavily involved. Private sector involvement might include the private sector identifying an

⁵⁷ <http://www.esmap.org/esmap/node/55655>.

infrastructure need in line with PA priorities which could be met by a privately financed project or an innovative proposal for infrastructure management. The PID MDTF could be involved through financing PA contributions to the PPP such as land acquisitions, output base aid (OBA) subsidies and consultants under the AAA window as transaction advisers.⁵⁸ New financial instruments such as World Bank PPP guarantees could also be introduced.

- **The PID MDTF could also consider a new competitive window to invite innovations in infrastructure development and management.** This might interest the private sector, who may be more interested to join the MDTF as a co-financer⁵⁹ if there was a clear opportunity for supporting innovation in the sector. Requests for such proposals would need to be responsive to key issues emerging from implementation experience, to avoid fragmentation in small scale initiatives and dispersion of resources available across the key strategic sectors under the PID MDTF
- **The PID MDTF could consider expanding its coverage into new sectors.** This may be particularly pertinent in the transport sector, as USAID’s role in road transport will be ‘diminishing rapidly’ as budgets are receding to normal levels. Of course, any expansion would have to be matched with additional resources and would need to support the overall Bank’s Assistance Strategy to remain selective and leverage the Bank’s comparative advantage in Palestine.

⁵⁸ <https://ppp.worldbank.org/public-private-partnership/library/...>

⁵⁹ Various private sector companies contribute to donor trust funds managed by public institutions, either from their budgets (with tax deductions) or through their own non-profit organizations set-up under their social corporate responsibility policies.

Annex 1**Disbursements of PID MDTF grants against TFGWB financing**

Project	Source of funds	Total Grant	Disbursed	Undisbursed	Rate of disbursement	Progress Report (ISR)
		US\$	US\$	US\$		
Second Municipal Development Project (MDP-2)	TFGWB	10	5.19	4.81	52%	Nov-14
	PID MDTF	25.8	6.39	19.41	25%	
	TFGWB	10	6.27	3.73	63%	Nov-15
	PID MDTF	25.8	13.52	12.28	52%	
GZ Emergency Response AF MDP-2	TFGWB	10	7.26	2.74	73%	May-16
	PID MDTF	25.8	15.29	10.51	59%	
	TFGWB	3	2.49	0.51	83%	Nov-15
	PID MDTF	12	9.61	2.39	80%	
	TFGWB	3	2.59	0.41	86%	May-16
	PID MDTF	12	9.63	2.37	80%	
Southern West Bank Solid Waste Management Project	PID MDTF	1.5	0.15	1.35	10%	Dec-2015
Water Sector Capacity Building co-financing Project	TFGWB	3	2.87	0.13	96%	Nov-14
	PID MDTF	1	0.2	0.8	20%	
	TFGWB	3	2.93	0.07	98%	Apr-15
	PID MDTF	1	0.2	0.8	20%	
	TFGWB	3	3	0	100%	Oct-15
	PID MDTF	3	0.4	2.6	13%	
Third Additional Financing for the North Gaza Emergency Sewage Treatment Project	TFGWB	3	0	0	0%	Nov-14
	PID MDTF	5	0	0	0%	
	TFGWB	3	0.5	2.15	17%	Apr-15
	PID MDTF	5	0.6	4.4	12%	
	TFGWB	3	0.5	2.15	17%	Jun-15
	PID MDTF	5	0.6	4.4	12%	
	TFGWB	3	0.66	2.34	22%	Dec-15
	PID MDTF	5	0.9	4.1	18%	
	TFGWB	3	0.66	2.34	22%	May-16
	PID MDTF	5	0.9	4.1	18%	

Project	Source of funds	Total Grant	Disbursed	Undisbur- sed	Rate of disbursement	Progress Report
Gaza Emergency Water Supply and Sewage Systems Improveme nt Project AF	TFGWB	3			0% ⁶⁰	Feb- 15 ⁶¹
	PID MDTF	8.7				
	TFGWB	3			15.30%	Nov-15
	PID MDTF	8.7				

⁶⁰ These are joint disbursement rates for both TFGWB and PID MDTF funded projects

⁶¹ These figures come from two Aide Memoires of World Bank Water Sector Missions of February 16-26, 2015 and November 17-27, 2015. The evaluation team could not find any ISR's logged in the West Bank web site for these projects for this time period.

Annex 2: Time elapsed between PAD submission and Grant Effectiveness

Project	PAD Date	Board Approval Date	Grant Agreement Date	Effective Date	PAD/ Board Approval Days	Board Approval to GA Days	GA to Effective Days	Board approval to Effective Days
Second Municipal Development Project	n.a. ⁶²	26-Mar-14	26-Mar-14	17-Apr-14		0.00	22.00	22.00
Second Municipal Development Project Additional Financing	17-Dec-15	8 Mar 2016 ⁶³	pending	pending				
GZ Emergency Response AF MDP 2	17-Oct-14	30-Oct-14	10-Dec-14	29-Jan-15	14.00	41.00	30.00	71.00
Southern West Bank Solid Waste Management Project	7-Mar-15	31-Mar-15	14-May-15	15-Jun-15	24.00	44.00	32.00	76.00
Gaza Solid Waste Management	5 March, 2014	31 March, 2014	24, April, 2014	9 July 2014	26.00	24.00		
NGEST Solar Power Feasibility study	n.a. ⁶⁴	1-Jan-15	n.a. ⁶⁵	Jul-15				
Project preparation grant for ESPIP	n.a. ⁶⁶	Apr-2016 ⁶⁷	1-Jun-2016 ⁶⁸	pending				
PID MDTF Program and Trust Fund Management	n/a	n/a	n/a	n/a				
Gaza Sustainable Water Supply Program: Additional Works	5-Oct-15	1-Oct-15	12-Oct-15	5-Jan-16		11.00	96.00	107.00
Water Sector Capacity Building Project	31-Mar-11	5-Feb-14	5-Feb-14	2-Jun-14		13.00	103.00	116.00
Third Additional Financing for the North Gaza Emergency	n.a. ⁶⁹	8-May-14	8-May-14	18-Nov-14	62.00	0.00	191.00	191.00

⁶² The PAD for the original (parent) project was submitted on April 29, 2013. The Swedish and Danish contributions, which were re-channelled through the PID MDTF, were already included in this financing plan. The Evaluation team could not locate any official approval document for this ‘re-channelling’ of these funds except for the Grant Agreement signed on 26 March, 2014 which confirms the new financing status.

⁶³ This is an estimated date taken from the PAD.

⁶⁴ As this is a bank-executed activity, no PAD was generated.

⁶⁵ The evaluation team could find no contract document which could verify the date.

⁶⁶ The evaluation team was informed that PAD was not yet available (email from Rafeef, June 30, 2016)

⁶⁷ This is the estimated date

⁶⁸ Date provided verbally by PENRA during interview of 16 July, 2016.

⁶⁹ Evaluation team was informed that there was no PAD for this project but there is a Project Paper dated March 17, 2014

Project	PAD Date	Board Approval Date	Grant Agreement Date	Effective Date	PAD/ Board Approval Days	Board Approval to GA Days	GA to Effective Days	Board approval to Effective Days
Sewage Treatment Project								
Gaza Emergency Water Supply and Sewage Systems Improvement Project Additional Financing	17-Oct-14	30-Oct-14	3-Dec-14	26-Jan-15	13.00	33.00	29.00	62.00

Annex 3: Bibliography

PALESTINIAN AUTHORITY DOCUMENTS

Environment Quality Authority, (EQA), Palestinian National Authority. (March 2010). “Environment Sector Strategy.”

Ministry of Planning and Administrative Development. (September 2012). “Results of the 2010 Paris Declaration Monitoring Survey for the occupied Palestinian territory.” http://www.lacs.ps/documentsShow.aspx?ATT_ID=7647

Palestinian Central Bureau of Statistics . **(2012) “Mash Al-Baladiat fi Felstine -Maja’ Rqam 4.3.6- Qawaed Al-bna Al-tahtya Llbadyat** [Municipalities in Palestine Mapping – Reference Number 4.3.6 – Municipalities Database].”

Palestinian National Authority. (May 2008). “Progress Report on the Implementation of the Palestinian Reform and Development Plan 2008-2010.”

Palestinian National Authority. (May 2010). “National Strategy for Solid Waste Management in the Palestinian Territory 2010- 2014.”

Palestinian National Authority. (2011). “Palestinian National Plan – Energy Sector Strategy.”

Palestinian National Authority. (April 2011). “National Development Plan 2011-13.”

Palestinian National Authority. (2011). “Executive Summary for the Strategic Water Sector Plan in Palestine 2011 – 2013.”

Palestinian National Authority. (September 2012). “Palestinian Water Sector: Status Summary Report.”

Palestinian National Authority. (November 2012). “*Istatejeat <Al-nwa’ Al-ejtmaa’l fi Qtaa’ Al-beaa (Btrkez A’la Ah-meah w A’darat Al-nfayat Al-salbah* [Gender in Environment Sector (Focusing on Water and Solid Waste Management)].”

Palestinian Water Authority. (October 2006). “Water Sector Review West Bank & Gaza.”

Palestinian Water Authority. (December 2013). “Water Sector Reform Plan 2014-16 (Final).”

State of Palestine. (2014). “National Development Plan 2014 – 16.”

WORLD BANK DOCUMENTS (all project-related documents are listed separately in Annex 4)

Independent Evaluation Group (IEG). (September 2015). “World Bank Project Performance Ratings - Codebook.”

Independent Evaluation Group (IEG). (2015). “Managing Evaluations: A How-To Guide for Managers and Commissioners of Evaluations.”

Sherman, Mariam. (June 2010). “Commitment in an Uncertain Environment - World Bank support for Palestinian private sector growth and institution building under unstable conditions.”

World Bank. (April 2009). “West Bank and Gaza Assessment of Restrictions on Palestinian Water Sector Development.”

World Bank. (February 2011). “A New Instrument to Advance Development effectiveness: Program-for-Results Lending – Revised Concept Note.”

World Bank. (March 2012). “Interim Strategy Note for the West Bank and Gaza 2012 – 2014.”

World Bank. (2012). “Trust Fund Annual Report.”

World Bank. (September 2013). “West Bank and Gaza: Strengthening Public Institutions for Service Delivery.”

World Bank. (November 2013). “MENA MDTF First Annual Report.”

World Bank. (October 2014). “Assistance Strategy FY 15-16 for the West Bank and Gaza.”

World Bank. (November 2014). “West Bank and Gaza Assessment and Action Plan to improve payment for electricity services on the Palestinian Territories.”
<http://documents.worldbank.org/curated/en/120271468317065014/pdf/ACS93930WPOP1469990Box385388B00OU0090.pdf>

World Bank. (December 2014). “MENA MDTF Second Annual Report.”

World Bank. (May 2015). “Economic Monitoring Report to the Ad Hoc Liaison Committee.”

World Bank. (July 2015). “MENA MDTF Operating Principles.”
<http://pubdocs.worldbank.org/en/310191438703885192/MNA-MDTF-Ops-Pcpls-July-2015-post-PCM-version.pdf>

World Bank. (December 2015). “Press Release on Finland Contribution: Finland contributed the amount of EUR 3.6 million, equivalent to US\$3.9 million to the Palestinian Partnership for Infrastructure Development Multi-Donor Trust Fund (PID MDTF fund) administered by the World Bank.”

World Bank. (April 2016). “Economic Monitoring Report to the Ad Hoc Liaison Committee.”

World Bank. “Improving solid waste management in a highly volatile environment.”

<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/0,,contentMDK:22757561~pagePK:146736~piPK:226340~theSitePK:256299,00.html> , accessed August, 2016

EVALUATION OF OTHER WORLD BANK PROGRAMS

Le Group-conseil basstel ltee. (June 2012). “External Evaluation of ESMAP 2007-2011 – Final Evaluation Report.”

http://www.esmap.org/sites/esmap.org/files/Baastel_ESMAP_Final_Report_%2019_June_2012_FINAL_optimized.pdf

Independent Evaluation Group (IEG) World Bank, IFC, MIGA. (2011) “An Evaluation of the World Bank’s Trust Fund Portfolio – Trust Fund Support for Development.”

<https://www.oecd.org/derec/worldbankgroup/48081370.pdf>

Scanteam Analysts and Advisers. (September 2012). “ARTF at a Cross-Roads: History and the Future – Final Report” http://www.artf.af/images/uploads/ARTF_External_Review_2012.pdf

Universalialia. (September 2009). “Water and Sanitation Program (WSP) FY 2004 – 2008 – External Evaluation.”

<https://webcache.googleusercontent.com/search?q=cache:14AUewoJnNk:https://www.government.nl/binaries/government/documents/reports/2009/09/26/global-evaluation-report-water-and-sanitation-programme/global-evaluation-report-water-and-sanitation-programme.pdf+&cd=1&hl=en&ct=clnk&gl=ps>

World Bank. (2011). “Implementation Status & Results West Bank and Gaza Palestinian Recovery & Development Plan MDTF (P110690).”

World Bank. (January 2011). “Restructuring Paper on a Proposed Project Restructuring of the Palestinian Recovery & Development Plan Multi Donor Trust Fund to the Palestine Liberation Organization (PLO) (for the Benefit of the Palestinian Authority (PA)).”

World Bank. (January 2011). “PRDP-TF Grant No. TF091935 - Palestinian Recovery and Development Plan Multi-Donor Trust Fund - Fourteenth Amendment to Grant Agreement.”

World Bank. (December 2011). Implementation Completion and Results Report (TF-057315) on a Grant in the amount of GBP 43.98 million (US\$88.04 million equivalent) on the Palestine Liberation Organization for the Energy Services Support Project – Multi-Donor Trust Fund (ESSP MDTF).”

World Bank. (January 2014). “Implementation Status & Results West Bank and Gaza Palestinian Recovery & Development Plan MDTF (P110690).”

World Bank. (November 2014). “Palestinian Recovery & Development Plan MDTF (P110690)” <http://documents.worldbank.org/curated/en/106021468137970453/pdf/ISR-Disclosable-P110690-11-23-2014-1416748434906.pdf>

DONORS

Japan

Ministry of Foreign Affairs, Government of Japan. (August 2003). “Japan’s Official Development Assistance Charter.”

Nakayama, Yasuhide. (October 2012). “Statement by State Minister for Foreign Affairs of Japan, On the occasion of the Conference on the Reconstruction of Gaza.”

Ministry of Foreign Affairs, Government of Japan. (November 2010). “Japan’s assistance to the Palestinians (Fact sheet).” <http://www.mofa.go.jp/files/000042388.pdf>

Representative Office of Japan to the PA. (February 2015). “Japan’s New Assistance to Palestinian People (US\$78,210,200).”

Ministry of Foreign Affairs, Government of Japan. (April 2015). “Rolling Plan for Palestinian Authority.” <http://www.mofa.go.jp/files/000162717.pdf>

Ministry of Foreign Affairs, Government of Japan. (February 2016). “Japan’s assistance to the Palestinian.” <http://www.mofa.go.jp/files/000042388.pdf>

Qatar

Al Jazeera Center for Studies. (June 2015). “Gaza Reconstruction: Can Norway and Qatar help bring Hamas to the negotiations table?”
<http://studies.aljazeera.net/en/reports/2015/06/2015630111436795522.html>

Harris, Emily. (June 2015). “Why Israel Lets Qatar Give Millions to Hamas.”
<http://www.npr.org/sections/parallels/2015/06/18/414693807/why-israel-lets-qatar-give-millions-to-hamas>

Quartet

Office of the Quartet. (June 2015). “Strategy and Priorities 2015 – 16: “Building the State, Empowering the Economy”.”

Office of the Quartet. (July 2016). “In Nablus, calls to accelerate affordable housing.”

Sweden

Swedish Ministry of Foreign Affairs, Swedish Government offices. (September 2010 – December 2015). “Strategy for development cooperation with The Middle East and North Africa.”

Swedish Ministry of Foreign Affairs, Swedish Government offices. (2016-2020). “Regional Strategy for Sweden’s Development Cooperation with the Middle East and North Africa (MENA).”

Swedish International Development Agency. (December 2015). “PID MDTF-fonden för Infrastrukturutveckling Beredning av insats, slutgiltig Appraisal of Intervention, final.”

Turkey

Arosen, Geoffrey. (March 2016). “What the Israeli-Turkish reconciliation says about Gaza.” <http://www.aljazeera.com/indepth/opinion/2016/03/israeli-turkish-reconciliation-gaza-160303052254804.html>

Ma’an News Agency. (June 2016). “Palestinian FM welcomes Israeli-Turkish reconciliation ahead of aid delivery to Gaza.” <https://maannews.com/Content.aspx?id=772013>

Kullab, Samya. (July 2016). “Turkish aid flows into besieged Gaza Strip.” <http://www.aljazeera.com/news/2016/07/turkish-aid-flows-besieged-gaza-strip-160714110852137.html>

UNDP

United Nations Development Programme (UNDP). (2012-2014). “Development for Freedom Empowered Lives. Resilient Nation.”

United Nations Development Programme (UNDP). “Public and Social Infrastructure Development.”

http://www.ps.undp.org/content/papp/en/home/operations/projects/poverty_reduction/infrastructure-development.html

PID MDTF SECTORS

Energy

Kattan, Victor. (April 2012). “The gas fields off Gaza: a gift or a curse?” <https://al-shabaka.org/briefs/gas-fields-gaza-gift-or-curse/>

Municipal Development & Lending Fund. (2008). “West Bank Municipality Electricity Operations”

News of the World. (May 2013). “Gaza’s gas: EU millions up in smoke.” <https://newsoftheworldnews.wordpress.com/2013/05/18/gazas-gas-eu-millions-up-in-smoke/>

Office for the Coordination of Humanitarian Affairs (OCHA) opt. (December 2012). “Power Deficit – Gaza.”

http://www.ochaopt.org/documents/ochaopt_atlas_gaza_electricity_december2012.pdf

Palestinian Energy Sector. (September 2016). “MDTF Brief.”

Renewable Energy and Energy Efficiency Partnership (Reeep). (October 2013). “Palestine (2012).” <http://www.reeep.org/palestine-2012>

Wikipedia. “Consolidated Contractors Company.”

https://en.wikipedia.org/wiki/Consolidated_Contractors_Company

Municipal Services and Local Government

Dajani, Wafa. (August 2008). “The West Bank Municipal Electricity Operation - Executive Summary.”

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). (June 2012). “Local Governance and Civil Society Development Programme.”

Jerusalem Policy Forum. (September 2008). “Solid Waste Management Policy in the Jerusalem District.”

Municipal Development & Lending Fund. (October 2009). “Study of Public Private Partnership in the Municipalities.”

Rammal, Iyad and Abu oun Hamad, Samah. (2008). “Planning Capacities within the Palestinian Municipalities”.

<https://scholar.najah.edu/sites/default/files/conference-paper/planning-capacities-within-palestinian-municipalities.pdf>

Ramallah Municipality. (2013). “Annual Report.”

Solid Waste Management

Anu El Qomboz, Yasser, and G.Busch, Habil. (Undated) “Solid Waste Management in Gaza Strip: Problems and Solutions.”

Applied Research Institute Jerusalem (ARIJ). (2005). “Analysis of Waste Management Policies in Palestine Domestic Solid Waste and Wastewater.”

Baba, Moustafa and De Smedt, Florimond. (2013). “Solid Waste Management and Practices in Gaza Strip (Palestine).”

http://webcache.googleusercontent.com/search?q=cache:SAGPSIJ_tG8J:ftp://ftp.asce.org/EWRI/IPWE%25202013/Late%2520Additions/661.docx+%&cd=2&hl=en&ct=clnk&gl=ps

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). (April 2014). “Country profile on the solid waste management situation in Occupied Palestinian Territories.”

International Finance Corporation (IFC). (November 2011). “Public-Private Partnership Stories West Bank & Gaza: Solid Waste Management.”

https://www.ifc.org/wps/wcm/connect/8f571280422d8a8a8cd1cf6e26473d89/PPPStories_WestBankGaza_SolidWasteManagement2.pdf?MOD=AJPERES

Public-Private Infrastructure Advisory Facility (PPIAF). (October 2013). “PPIAF Supports Private Sector Participation in the Solid Waste Sector in the West Bank

Soufan, Bilal. (2012). “Solid Waste Management in the West Bank: Institutional, Legal, Financial Assessment and Framework Development.”

https://scholar.najah.edu/sites/default/files/all-thesis/bilal_soufan.pdf

Water

Attili, Shaddad. (June 2004). “Israel and Palestine: Legal and Policy Aspects of the Current and Future Joint Management of the Shared Water Resources.”

Comitato Internazionale per lo Sviluppo dei Popoli (CISP) and Palestinian Hydrology Group (PHG). (June 2014). “Wash Report - Water Scarcity and Response in vulnerable areas: data & recommendations for the organization of an effective water supply system, the case of Jericho Governorate and Eastern Slopes of Jordan Valley/Ramallah.”

Daibes-Murad, Fadia. (February 2005). “Water Resources in Palestine a Fact Sheet and Basic Analysis of the Legal Status.”

<http://www.miftah.org/Display.cfm?DocId=6719&CategoryId=4>

German Federal Ministry for Economic Cooperation and Development (BMZ). (2006 – 2016). “Water and Sanitation Programme.”

Glover, Steven and Hunter, Andrew. (2010). “Meeting Future Palestinian Water Needs.”

<http://www.mas.ps/files/server/20141911091046-1.pdf>

Islamic University of Gaza. “Solid Waste Management in Gaza Strip Problems and Solutions.” <http://research.iugaza.edu.ps/files/2265.PDF>

Jerusalem Post. (July 2016). “COGAT: West Bank water supply to Palestinians increased, not decreased” <http://www.jpost.com/Arab-Israeli-Conflict/COGAT-West-Bank-water-supply-to-Palestinians-increased-not-decreased-457015>

Sabban, Walid and Isaac, Jad. (June 1995). “Towards a Palestinian Water Policy.”

Selby, Jan. (September 2015). “How did Rawabi get its water?”

Thirsting for Justice. (2013). “Israel’s control of water in the Occupied Palestinian Territory.” <http://webcache.googleusercontent.com/search?q=cache:96ifsiSv5HAJ:www.thirstingforjustice.org/wp-content/uploads/2013/02/The-Water-and-Sanitation-Crisis-in-the-oPt-for-WWD-Copia.ppt+%&cd=1&hl=en&ct=clnk&gl=ps>

United Nations Office for the Coordination of Humanitarian Affairs (OCHA). (May 2015). “Gaza Strip Wash Facilities as for May 2015.”

Wikipedia. “Water supply and sanitation in the Palestinian territories.” https://en.wikipedia.org/wiki/Water_supply_and_sanitation_in_the_Palestinian_territories

SUNDRY BACKGROUND DOCUMENTS

Alexander, Nancy. (April 2016). “The World Bank’s Proposed Program for Results (P4R): Implications for Environmental, Social, and Gender Safeguards and Corrupt Practices.” https://us.boell.org/sites/default/files/.../Alexander_4-6-11_P4R_Critique-FINAL.pdf

Austrian Development Cooperation (ADA). (July 2009). “Guidelines for Project and Programme Evaluations.”

Blog. (August 2014). “Top 7 Donors to Gaza and West Bank.” <http://borgenproject.org/top-7-donors-gaza-west-bank/>

Casalin, Deborah. (October 2015). “Aid destruction – an obvious accountability issue?” www.aidwatch.ps/blog/aid-destruction-accountability

Dakkak, Amir. (February 2016). “Red-Dead Sea Water Conveyance Project – Implications and Remedies” <http://www.ecomena.org/red-dead-sea-project/>

Humanitarian Country Team (HTC) in the occupied Palestinian. “Coordination Structure”. <http://data.ochaopt.org/content.aspx?id=1010056>

McElhinny, Vince. (February 2012). “P4R Update: World Bank Approves Program for Results Policy – 5% Cap over Two Year Pilot Period, but Questions Remain about how P4R Expansion will be Conditional upon Results of Management and IEG Evaluations.”, Bank Information Organization.

New York Times. (September 2016). “Obama, Keen to Push Israeli-Palestinian Peace, Will Meet With Netanyahu” http://www.nytimes.com/2016/09/19/world/middleeast/benjamin-netanyahu-obama-israel-palestinians.html?_r=0

Organisation for Economic Co-operation and Development (OECD). (September 2008). “ACCRA Agenda for Action”.

http://www.afdb.org/fileadmin/uploads/afdb/Documents/AccraAgendaAaction-4sept2008-FINAL-ENG_16h00.pdf

Organisation for Economic Co-operation and Development (OECD). (December 2011). “Busan partnership for effective development co-operation: fourth high level forum on aid effectiveness, Busan, republic of Korea, 29 November – 1 December 2011”.
<https://www.oecd.org/development/effectiveness/49650173.pdf>

Public-Private Infrastructure Advisory Facility (PPIAF). (2015). “Annual Report.”
<http://documents.worldbank.org/curated/en/154271467995083430/pdf/105780-AR-PUBLIC-PPIAF-Annual-Report-2015.pdf>

Simons, Keren. (March 2016). “Red-Dead pipeline is the wrong answer, politically and environmentally.”
<http://972mag.com/red-dead-pipeline-the-wrong-answer-politically-and-environmentally/103812/>

Thirsting for Justice. (January). “2015 in Review Overview: 20 years on from the Oslo II agreement, Palestinians.”

UNSCO. (April 2016). “Report to the Ad Hoc Liaison Committee.”
http://reliefweb.int/sites/reliefweb.int/files/resources/UNSCO%20report%20to%20AHLIC%20-%202014%20April%202016_0.pdf

Wood, B., Betts, J., Etta, F., Gayfer, J., Kabell, D., Ngwira, N., Sagasti, F., & Samaranayake, M. (May 2011). “The Evaluation of the Paris Declaration: Final Report.”
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/197482/evaluation-paris-declaration.pdf

Annex 4: List of project-related documents reviewed

P 127163 Second Municipal Development Project (MDP-2)

Alpha International. (March 2013). “MDP-I Client and Citizen Satisfaction Survey Final Report.”

<http://www.mdif.org.ps/Files/Docs/Clients%20and%20citizens%20satisfaction%20assessment.pdf>

Alpha International. (November 2015). “Direct Beneficiaries, Client and Citizen Satisfaction Survey (End of Cycle I) Final Report.”

<http://www.mdif.org.ps/Files/Docs/Manual%20Reports/DIRECT%20BENEFICIARIES,%20CLIENTS%20AND%20CITIZENS%20SATISFACTION%20ASSESSMENT%202015.pdf>

Independent Evaluation Group (IEG). (June 2015). “Project Performance Assessment Report West Bank and Gaza Second Emergency Municipal Services Rehabilitation Project (TF-57873, TF-92840, TF-94522, TF-96990) Municipal Development Program –Phase 1 (Tf-12410, TF-9351, TF-96770, TF-11407).”

Municipal Development & Lending Fund. (March 2012). “MDLF Annual Report 2011.”

World Bank. (March 2013). “West Bank and Gaza Second Municipal Development Project (MDP 2- P 127163) Technical Missions (23 January, 18/19 February); and Appraisal (March 26-28, 2013).”

World Bank. (April 2013). Project Appraisal Document for the Second Municipal Development Project (MDP2)

World Bank. (March 2014). “Grant Number TF016476 Partnership for Infrastructure Development in the West Bank and Gaza Multi-donor Trust Fund Grant Agreement.”

World Bank. (July 2013). “Implementation Status & Results West Bank and Gaza GZ-Second Municipal Development Project (P127163).”

World Bank. (December 2013). “Implementation Status & Results West Bank and Gaza GZ-Second Municipal Development Project (P127163).”

World Bank. (March 2014). “Implementation Status & Results West Bank and Gaza GZ-Second Municipal Development Project (P127163).”

World Bank. (November 2014). “Implementation Status & Results West Bank and Gaza GZ-Second Municipal Development Project (P127163).”

World Bank. (November 2015). “Implementation Status & Results West Bank and Gaza GZ-Second Municipal Development Project (P127163).”

World Bank. (May 2016). “Implementation Status & Results West Bank and Gaza GZ-Second Municipal Development Project (P127163).”

World Bank. (October 2015). “Program Appraisal Document on a Proposed Grant in the amount of US\$5.0 million from the Trust Fund for Gaza and West Bank (TFGWB) with Co-financing from the Partnership Infrastructure Development Multi-Donor Trust Fund (PID MDTF) to the Palestine Liberation Organization for a Local Governance and Services Improvement Program for Results.”

World Bank. (August 2012). “Project information Document (PID) Concept Stage Report No.: PID MDTFC434.”

World Bank. (April 2013). “Project information Document (PID) Appraisal Stage Report No.: PID MDTF663.”

World Bank. (April 2013). “Program Appraisal Document on a Proposed Grant in the amount of US\$10 million to the Palestine Liberation Organization (for the Benefit of the Palestinian Authority.”

World Bank. (2015). “Project Information Document (PID) Additional Financing Report No.: 103022).”

Municipal Services and Local Government Aide Memoires

World Bank. (February 2012). “West Bank and Gaza Municipal Development Project II (MDP II) Aide-Mémoire for Identification Mission of Financing Partners.”

World Bank. (December 2013). “Second Municipal Development Project (P127163), First Implementation Support Mission Aide-Memoire.”

World Bank. (January 2015). “Palestinian Territories Southern Second Municipal Development Report (P127163) Implementation Support Mission Aide-Memoire Aide Memoire.”

World Bank. (October 2015). “106347 Palestine Aide Memoire for the Mid-Term Review of the Second Municipal Development Project.”

World Bank. (March 2016). “Aide-Memoire for the Implementation Support Mission of the Second Municipal Development Project (MDP-2) and Scoping Mission for MDP Phase 3.”

P 152523 GZ Emergency Response AF MDP-2

World Bank. (December 2010). “TF018378 Project Agreement (Additional Financing of the Second Municipal Development Project) Between International Bank for Reconstruction and Development/international Development Association (acting as an Administrator of grant funds provided by various donors under the Partnership for Infrastructure Development in

the West Bank and Gaza Multi-Donor Trust Fund) and Municipal Development and Lending Fund.”

World Bank. (September 2014). “Integrated Safeguards Data Sheet Additional Financing Report No.: ISDSA1047.”

World Bank. (October 2014). “International Development Association Project Paper on a Proposed Additional Grant in the Amount of US\$15.0 million to the Palestine Liberation Organization (for the Benefit of the Palestinian Authority) and Restructuring for the Gaza Emergency Response Additional Financing to the Second Municipal Development Project (MDP-2).”

World Bank. (October 2014). “Project Information Document (PID) Additional Financing Report No.: PID MDTFA14404.”

World Bank. (May 2016). “Implementation Status & Results West Bank and Gaza GZ-Second Municipal Development Project (P127163).”

P 154102 Southern West Bank Solid Waste Management Project

Ministry of Local Government, Palestinian National Authority. (February 2016). “The Joint Service Council for Solid Waste Management of Hebron and Bethlehem Governorates JSC-Hebron & Bethlehem Technical operation unit (TOU) project management final progress report.”

The Joint Service Council for Solid Waste Management for Hebron and Bethlehem Governorates (JSC-H&B). (2015). “Closure and Rehabilitation of Yatta Dumpsite Progress Report #01.”

World Bank. (February 2009). “Project information Document (PID) Appraisal Stage Report No.: 47680.”

World Bank. (April 2009). “Report No.: 47649-GZ Program Appraisal Document on a Proposed Grant in the amount of US\$12 million to the Palestine Liberation Organization (for the Benefit of the Palestinian Authority) for a Southern West Bank Solid Waste Management Project in West Bank and Gaza.”

World Bank. (January 2011). “Implementation Status & Results West Bank and Gaza GZ-(P105404).”

World Bank. (October 2011). “Implementation Status & Results West Bank and Gaza GZ-Southern West Bank Solid Waste Management (P105404).”

World Bank. (April 2012). “Implementation Status & Results West Bank and Gaza GZ-Southern West Bank Solid Waste Management (P105404).”

World Bank. (December 2012). “Implementation Status & Results West Bank and Gaza GZ-Southern West Bank Solid Waste Management (P105404).”

World Bank. (April 2013). “Implementation Status & Results West Bank and Gaza GZ-Southern West Bank Solid Waste Management (P105404).”

World Bank. (December 2013). “Implementation Status & Results West Bank and Gaza GZ-Southern West Bank Solid Waste Management (P105404).”

World Bank. (May 2014). “Implementation Status & Results West Bank and Gaza GZ-Southern West Bank Solid Waste Management (P105404).”

World Bank. (May 2014). “Disbursement letter: Re: Grant No. TF018376-GZ Additional Financing of the Southern West Bank Solid Waste Management Project) Additional Instructions: Disbursement.”

<http://documents.worldbank.org/curated/en/857571468329999003/pdf/RAD1834361653.pdf>

World Bank. (May 2014). “Grant Number TF01876 Partnership for Infrastructure Development in the West Bank and Gaza Multi-donor Trust Fund Grant Agreement (Additional Financing of the Southern West Bank Solid Waste Management Project) between Palestine Liberation Organization (for the Benefit of the Palestinian Authority) and International Bank for Reconstruction and Development/International development association (acting as an administrator of grant funds provided under the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund).”

World Bank. (March 2015). “Project Information Document (PID) Additional Financing Report No.: 95229.”

<http://documents.worldbank.org/curated/en/245961468309361095/pdf/95229PIDMDTFOP1540Box385460B00PUBLIC0.pdf>

World Bank. (March 2015). “Project information Document (PID) Appraisal Stage Report No.: 95229.”

World Bank. (June 2015). “Implementation Status & Results West Bank and Gaza GZ-Southern West Bank Solid Waste Management (P105404).”

Solid Waste Management Aide-Mémoires

World Bank. (November 2013). “Palestinian Territories Southern West Bank Solid Waste Management Project (P105404) Southern West Bank Solid Waste Management Project Additional Financing (P154102) Gaza Solid Waste Management Project (P121648) Aide Memoire.”

World Bank. (October 2014). “Palestinian Territories Supervision Mission of Southern West Bank Solid Waste Management Project (P105404, TF94496), and Global Partnership for

Output-Based Aid (GPOBA) Grant (P132268), as well as Launch of Gaza Solid Waste Management Project (P121648) Aide Memoire.”

World Bank. (March 2015). “Palestinian Territories Southern West Bank Solid Waste Management Project Additional Financing (P154201) Pre-Appraisal Mission Aide Memoire.”

World Bank. (April 2015). “Palestinian Territories Southern West Bank Solid Waste Management Project (P105404) Southern West Bank Solid Waste Management Project Additional Financing (P154201) Output-Based Aid for West Bank Solid Waste Management Project (P132268) Gaza Solid Waste Management Project (P121648) Aide Memoire.”

World Bank. (April 2015). “Palestinian Territories Southern West Bank Solid Waste Management Project (P105404) Southern West Bank Solid Waste Management Project Additional Financing (P154201) Output-Based Aid for West Bank Solid Waste Management Project (P132268) Gaza Solid Waste Management Project (P121648) Aide Memoire.”

World Bank. (November 2015). “Palestinian Territories Southern West Bank Solid Waste Management Project (P105404) Southern West Bank Solid Waste Management Project Additional Financing (P154102) Gaza Solid Waste Management Project (P121648) Aide Memoire.”

P149853 North Gaza Emergency Sewage Treatment (NGEST) Project Solar Power Feasibility Study

World Bank. (March 2016). “Report No: ACS17058 West Bank and Gaza Feasibility Study Report Power Generation (Solar PV) for North Gaza Emergency Sewage Treatment Plant.”

P 130100 PID MDTF Program and TF Management Fund

World Bank. (May 2012). “Partnership for Infrastructure Development in the West Bank and Gaza Concept Note”

World Bank. (July 2015). “The World Bank Operations Manual”.

World Bank. (September 2016). “Reconstructing Gaza - Donor Pledges.”

Administration Agreements with donors

World Bank. (June 2012). “Trust Fund Administration Agreement between Sweden, Represented by the Swedish International Development Cooperation Agency, and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (October 2013). “Trust Fund Administration Agreement between the Kingdom of Denmark and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (March 2014). “Trust Fund Administration Agreement between the Ministry of Foreign Affairs for Finland and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (September 2014). “Supplemental Contribution – Amendment to the Trust Fund Administration Agreement between the Kingdom of Denmark and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (September 2014). “Trust Fund Administration Agreement between the Kingdom of Netherlands and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (November 2014). “Trust Fund Administration Agreement between the Norwegian Ministry of Foreign Affairs and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (December 2014). “Trust Fund Administration Agreement between the Republic of Croatia and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (December 2014). “Trust Fund Administration Agreement between the *Agence Francaise de Developpement (AFD)* and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (December 2014). “Trust Fund Administration Agreement between the Portuguese Republic and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (December 2015). “Trust Fund Administration Agreement between Sweden, Represented by the Swedish International Development Cooperation Agency, and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (December 2015). “Amendment No. 1 to the Trust Fund Administration Agreement between the Ministry of Foreign Affairs for Finland and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

World Bank. (August 2016). “Supplemental Contribution – Amendment No. 1 the Trust Fund Administration Agreement between the Republic of Croatia and the International Bank for Reconstruction and Development and the International Development Association concerning the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund (TF No. TF071898).”

Oversight Group

World Bank. (February 2014). “Partnership for Infrastructure Development Multi-donor Trust Fund Second Annual Oversight Committee Meeting, Ministry of Finance, Palestinian Authority, Minutes.”

World Bank. (September 2015). “Partnership for Infrastructure Development – Multi-Donor Trust Fund September 14, 2015 Minutes of Meeting: 2014/15 Annual Report.”

World Bank. (April 2016). “Partnership for Infrastructure Development Multi-Donor Trust Fund Minutes of Meeting: 2015/16 Semi-Annual Progress Report.”

Progress and financial Reports

World Bank. (January 2013). “Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (TF071898) - Multi Donor Fund Unaudited Trust Funds financial report.”

World Bank. (August 2013). “Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (TF071898) - Multi Donor Fund Unaudited Trust Funds financial report.”

World Bank. (August 2014). “Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (TF071898) - Multi Donor Fund Unaudited Trust Funds financial report.”

World Bank. (March 2015). “Partnership for Infrastructure Multi-Donor Trust Fund Progress Report.”

World Bank. (August 2015). “Partnership for Infrastructure Development (PID MDTF) Programmatic Multi-Donor Trust Fund (MDTF) TF071898 Annual Report for the period September 1, 2014 to August 31, 2015.”

World Bank. (August 2015). “Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (TF071898) - Multi Donor Fund Unaudited Trust Funds financial report.”

World Bank. (February 2016). “Partnership for Infrastructure Development (PID MDTF) Programmatic Multi-Donor Trust Fund (MDTF) TF071898 Semi-annual Report for the period September 1, 2015 to February 29, 2016.”

World Bank. (April 2016). “Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (TF071898) - Multi Donor Fund Unaudited Trust Funds financial report.”

P 150494 Gaza Sustainable Water Supply Program Additional Works [NOT IN SAMPLE]

World Bank. (October 2015). “Report No.97154). Project Paper on a Proposed Grant in the amount of Us\$2.5 million to the Palestine Liberation Organization for the Benefit of the Palestinian Authority for a Gaza Sustainable Water Supply Program (Preparation of Associated Works and Related Studies).”

P 117443 Water Sector Capacity Building co-financing fund

Palestinian Water Authority, Palestinian National Authority. (August 2012). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning and Advisory Team in the Water and Sanitation Sector (TPAT) Comments to ORGUT Semi Annual Progress Report No2, Financial and Procurement Progress Covering the period from 11th January 2012 to 10th July 2012.”

Palestinian Water Authority, Palestinian National Authority. (December 2012). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning and Advisory Team in the Water and Sanitation Sector (TPAT) Comments to ORGUT Semi Annual Progress Report No3, Financial and Procurement Progress Covering the period from 11th July 2012 to 10th January 2013.”

Palestinian Water Authority, Palestinian National Authority. (July 2013). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning and Advisory Team in the Water and Sanitation Sector (TPAT) Comments to ORGUT Semi Annual Progress Report No4, Financial and Procurement Progress Covering the period from 11th January to 10th July 2013.”

Palestinian Water Authority, Palestinian National Authority. (February 2014). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning

and Advisory Team in the Water and Sanitation Sector (TPAT) Comments to ORGUT Semi Annual Progress Report No5, Financial and Procurement Progress Covering the period from 11th July to 10th January 2014.”

Palestinian Water Authority, Palestinian National Authority. (August 2014). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning and Advisory Team in the Water and Sanitation Sector (TPAT) Comments to ORGUT Final Progress Report, Financial and Procurement Progress Covering the period from 11th July 2011 to 10th July 2014.”

Palestinian Water Authority, Palestinian National Authority. (January 2015). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning and Advisory Team in the Water and Sanitation Sector (TPAT) PIU Semi Annual Progress Report No8, Financial and Procurement Progress Covering the period from 11th July 2014 to 10th January 2015.”

Palestinian Water Authority, Palestinian National Authority. (July 2015). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning and Advisory Team in the Water and Sanitation Sector (TPAT) PIU Semi Annual Progress Report No9, Financial and Procurement Progress Covering the period from 11th January to 10th July 2015.”

Palestinian Water Authority, Palestinian National Authority. (January 2016). “GZ-Emergency Capacity Building Project to the Palestinian Water Authority: Technical, Planning and Advisory Team in the Water and Sanitation Sector (TPAT) PIU Semi-Annual Progress Report No10, Financial and Procurement Progress Covering the period from 11th July 2015 to 10th January 2016.”

World Bank. (March 2011). “Report No: 59948-GZ Program Appraisal Document on a Proposed Grant in the amount of US\$3.0 million to the Palestine Liberation Organization (for the Benefit of the Palestinian Authority) for a Water Sector Capacity Building Project.”

World Bank. (May 2011). “Report No: ISR5344 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (May 2011). “Report No: ISR3289 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (May 2012). “Report No: ISR6903 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (February 2013). “Report No: ISR9193 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (July 2013). “Report No: ISR10908 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (December 2013). “Report No: ISR12908 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (June 2014). “Report No: ISR13960 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (February 2014). “Disbursement letter: Re: GZ- Water Sector Capacity Building Project (TF099491) Reallocation, closing date extension and Modification of Performance Monitoring Indicators notice to the Trust Fund Grant Agreement.”

World Bank. (November 2014). “Report No: ISR17015 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (April 2015). “Report No: ISR18664 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (October 2015). “Report No: ISR20986 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

World Bank. (June 2016). “Report No: ISR23298 Implementation Status & Results West Bank and Gaza GZ-Water Sector Capacity Building (P117443).”

Water Sector Regulatory council. (October 2016). “Water Sector Regulatory Council Progress.”

Water Sector Regulatory Council (WSRC). (August 2016). “Performance Monitoring of Water Services Providers in Palestine Report of 2014.”

Palestinian Water Authority, Palestinian National Authority. (November 2014). “Water Sector Reform.”

Water Sector Aide-Mémoires

World Bank. (2012). “West Bank and Gaza World Bank Water Sector Mission Water Sector Capacity Building Project/Technical Planning and Advisory Team (P117443) North Gaza Emergency Sewage Treatment Project (P74595) WSS Improvements for West Bethlehem Villages (P123322) Proposed Water Supply & Sewer System Improvement Project (P101289) Proposed West Bank Wastewater Management Project (P117449) 30 September – 19 October, 2012 Aide Memoire.”

World Bank. (2013). “West Bank and Gaza World Bank Water Sector Mission Proposed Hebron Wastewater Management Project (P117449) / AFD CPS 1049 North Gaza Emergency Sewage Treatment Project (P74595) / AFD CPS 3003-1019 Water Sector Capacity Building Project/Technical Planning and Advisory Team (P117443) / AFD CPS 1018 01 Water Supply and Sanitation Improvements for West Bethlehem Villages (P123322) Water Supply and

Sewer Systems Improvement Project (P101289) 19 August – 5 September, 2013 Aide Memoire.”

World Bank. (April 2013). “West Bank and Gaza World Bank Water Sector Mission MTR for Water Sector Capacity Building Project/Technical Planning and Advisory Team (P117443) Proposed West Bank Wastewater Management Project (P117449) Aide Memoire

World Bank. (2013). “West Bank and Gaza World Bank Water Sector Mission Water Sector Capacity Building Project/Technical Planning and Advisory Team (P117443) / AFD CPS 1018 01 North Gaza Emergency Sewage Treatment Project (P74595) / AFD CPS 3003-1019 WSS Improvements for West Bethlehem Villages (P123322) Proposed Water Supply & Sewer Systems Improvement Project (P101289) Proposed West Bank Wastewater Management Project (P117449) / AFD CPS 1049 28 January – 11 February, 2013 Aide Memoire.”

World Bank. (February 2014). “West Bank and Gaza World Bank Water Sector Mission NGEST Project Third Additional Financing Technical Discussions 27 January – 14 February, 2014 Aide Memoire.”

World Bank. (August 2014). “West Bank and Gaza World Bank Water Sector Mission July 7 to 18 and August 16 to September 17, 2014 Aide Memoire.”

World Bank. (February 2015). “West Bank and Gaza World Bank Water Sector Mission Aide Memoire.”

World Bank. (November 2015). “Palestine World Bank Water Sector Mission Aide Memoire”

World Bank. (January 2016). “State of Palestine World Bank Water Sector Mission Aide Memoire.”

World Bank. (May 2016). “West Bank and Gaza World Bank Water Sector Mission Aide Memoire.”

P074595 Third Additional Financing for the North Gaza Emergency Sewage Treatment Project

World Bank. (October 2004). “TF054208-GZ Trust Fund Grant Agreement (North Gaza Emergency Sewage Treatment Project) Palestine Liberation Organization (for the Benefit of Palestinian Authority) and International Bank for Reconstruction and Development/International development association (as Administrator of the Trust Fund for Gaza and West Bank).”

World Bank. (March 2008). “Report No.: 421 89-GZ Project Paper on a Proposed Additional Financing (Grant) in the amount of US\$12.0 million to the West Bank and Gaza for the North Gaza Emergency Sewage Treatment Project.”

World Bank. (June 2008). “TF092196 GZ Trust Fund Grant Agreement (Additional Financing for the North Gaza Emergency Sewage Treatment Project) between Palestine Liberation Organization (for the Benefit of Palestinian Authority) and International Bank for Reconstruction and Development/International development association (as Administrator of the Trust Fund for Gaza and West Bank).”

World Bank. (December 2010). “Report No: ISR2529 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (July 2011). “Report No: ISR5077 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (July 2011). “Report No: ISR3109 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (June 2012). “Restructuring Document 69999 v2 P074595: GZ-North Gaza Emergency Sewage Treatment Project.”

World Bank. (March 2014). “Report No: 84213-GZ International Development Association Project Paper on a Proposed Additional of US\$3.0 million to the Palestine Liberation Organization (for the Benefit of Palestinian Authority) for a North Gaza Emergency Sewage Treatment Project.”

World Bank. (May 2014). “TF016501 Partnership for Infrastructure Development in the West Bank and Gaza Multi-donor Trust Fund Grant Agreement (Third Additional Financing for the North Gaza Emergency Sewage Treatment Project) between Palestine Liberation Organization (for the Benefit of Palestinian Authority) and International Bank for Reconstruction and Development/International development association (acting as an Administrator of the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund).”

World Bank. (June 2014). “Disbursement letter: Trust Fund for Gaza and West Bank (Additional Financing for the North Gaza Emergency Sewage Treatment Project) (Grant No. TF092196) Amendment to the Trust Fund Grant Agreement.”

World Bank. (June 2014). “Disbursement letter: Trust Fund for Gaza and West Bank (Additional Financing for the North Gaza Emergency Sewage Treatment Project) (Grant No. TF097081) Amendment to the Trust Fund Grant Agreement.”

World Bank. (December 2014). “Belgian Grant Agreement (TF057109) Relating to the North Gaza Emergency Sewage Treatment Project in the West Bank and Gaza Amendment No.1 to the Grant Agreement.”

World Bank. (June 2015). ““Report No: ISR20018 Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

Palestinian Water Authority, Projects Management Unit (PMU). (December 2012). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 32.”

Palestinian Water Authority, Projects Management Unit (PMU). (November 2012). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 31.”

Palestinian Water Authority, Projects Management Unit (PMU). (August 2013). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 34.”

Palestinian Water Authority, Projects Management Unit (PMU). (November 2013). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 35.”

Palestinian Water Authority, Projects Management Unit (PMU). (February 2014). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 36.”

Palestinian Water Authority, Projects Management Unit (PMU). (May 2014). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 37.”

Palestinian Water Authority, Projects Management Unit (PMU). (August 2014). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 38.”

Palestinian Water Authority, Projects Management Unit (PMU). (November 2014). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 39.”

Palestinian Water Authority, Projects Management Unit (PMU). (February 2015). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 40.”

Palestinian Water Authority, Projects Management Unit (PMU). (March 2015). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 41.”

Palestinian Water Authority, Projects Management Unit (PMU). (June 2015). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 42.”

Palestinian Water Authority, Projects Management Unit (PMU). (September 2015). “North Gaza Emergency Sewage Treatment Plant (NGEST) Progress Report Quarter # 43.”

Palestinian Water Authority, Projects Management Unit (PMU). (December 2015). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 44.”

Palestinian Water Authority, Projects Management Unit (PMU). (March 2016). “North Gaza Emergency Sewage Treatment Plant (NGEST) project (ID No.: P074595) Progress Report Quarter # 45.”

World Bank. (June 2012). “Report No: 69999-GZ Restructuring Paper on a Proposed Project Restructuring of the First and Second Additional Financing Grants (TF092196 AND TF097081) for the North Gaza Emergency Sewage Treatment Plant (NGEST) (P074595) August 12, 2004 to the Palestinian Liberation Organization (for the benefit of the Palestinian Authority).”

World Bank. (December 2013). “Report No: ISR11587 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (June 2014). “Report No: ISR15060 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (November 2014). “Report No: ISR17035 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (April 2015). “Report No: ISR18746 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (June 2015). “Report No: ISR20018 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (December 2015). “Report No: ISR22113 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

World Bank. (May 2016). “Report No: ISR23293 Implementation Status & Results West Bank and Gaza Northern Gaza Emergency Sewage Treatment (NGEST) Project (P074595).”

**P151032 Gaza Emergency Water Supply and Sewage Systems Improvement Project
Additional Financing**

Palestinian Water Authority, Palestinian National Authority. “Water Supply & Sewage Systems Reconstruction & Improvement Project WSSSIP & AFI.”

Independent Evaluation Group (IEG). (September 2013). “Implementation Completion Report (ICR) Review - Gaza Emergency Water Project.”

World Bank. (October 2014). “Report No: PAD1139 International Development Association Project Paper on a Proposed Additional Grant and Restructuring in the amount of US\$15 million to the Palestine Liberation Organization (for the Benefit of the Palestinian Authority for a Gaza Water Supply and Sewage System Improvement Project.”

World Bank. (October 2014). “Report No.: PID A12951 Project information Document (PID) Additional Financing.”

World Bank. (December 2014). “TF018268 Partnership for Infrastructure Development in the West Bank and Gaza Multi-donor Trust Fund Grant Agreement (Additional Financing for the Gaza Water Supply and Sewage Systems Improvement Project) between Palestine Liberation Organization and International Bank for Reconstruction and Development and International Development Association (acting as an Administrator of the Partnership for Infrastructure Development in the West Bank and Gaza Multi-Donor Trust Fund).

Annex 5: List of people Interviewed

Palestinian Authority	
Ministry of Local Government	
Basheer Bargouthi	Consultant, Ministry of Local Government, Ramallah
Palestinian Energy and National Resources Authority	
Abdel Kareem Abdeen	Deputy, Palestinian Energy and National Resources Authority, Ramallah
Palestinian Water Authority	
Ribhy al Sheikh	Deputy Chairman of PWA, Gaza office,
PID MDTF Donors	
Jenny Vunjak	Head of Division for Implementation of Development Policy, Croatia Ministry of Foreign and European Affairs, Croatia
Alex Kouttab	Advisor/Governance and Municipal Development, Royal Danish Representative Office, Ramallah
Karita Laisi	Head of Development Cooperation, the Representative Office Finland, Jerusalem
Subha Ghannam	Senior Policy Officer, Netherlands Representative Office, Ramallah,
Rima Tadros	Program Advisor, Representative Office of Norway, Jerusalem
Nicolas Gury	Deputy Director, Municipal/Urban section, <i>Agence Francaise de Developpement</i> , Jerusalem
Gunnar Ulvik	Consul – Infrastructure and Environment/Program Office, Development Cooperation, Consulate of Sweden.
Johan Schaar	Consul, Head of Development Cooperation Section, Consulate of Sweden, Jerusalem
World Bank Staff	
Iyad Rammal	Senior Water Specialist, Task Team Leader of Water Sector Capacity Building Financing Fund, World Bank Office, Washington D.C. Via face to face meeting.
Bjorn Philipp	Program Leader, Infrastructure and Local Services, Sustainable Development Practice Group, World Bank Office, Jerusalem Via face to face meeting.
Rafeef Abdel Razek	Operations Officer, PID MDTF/MDTF, World Bank Office, Jerusalem,
Imtiaz Hizkil	Task Team Leader of NGEST Solar Power, Washington D.C.
Ibrahim Dajani	Senior Infrastructure Specialist, World Bank Office

	Jerusalem
Christiana Johannides	Senior Urban Specialist, Task Team Leader of Second Municipal Development Project and Gaza Emergency Response (AF to MDP-2) Washington, D.C
David Merbach	Senior Water Specialist, Task Team Leader of Third Additional Financing for the North Gaza Emergency Sewage Treatment project.
Adnan Ghosheh	Senior Water Specialist, Co-Task Team Leader of Third Additional Financing for the North Gaza Emergency Sewage Treatment Project, World Bank Office, Jerusalem,
Richard Pollard	Retired staff member, World Bank, Washington D.C.
Simon Stolp	Lead Energy Specialist, World Bank
Implementing Partner Agencies and Local Partners	
Rawan Iseed	Head of Project Management Unit, PWA, Ramallah
Amin Dawabsheh	Financial Specialist, PWA, Ramallah
Salim Yihyia	Procurement Specialist, PWA, Ramallah
Mohammad Said Hmadi	CEO, Water Sector Regulatory Council, Ramallah,
Liesa Sauerhammer	Development Advisor, Water Programme Palestine, GIZ, Ramallah,
Amin Dawabsheh	Financial specialist, PWA, Ramallah
Tawfiq Budeiri	Director General, MDLF, Ramallah,
Hazem Qwasm	Operations Manager, MDLF, Ramallah,
Mutaz Moheisen	Director of Gaza office, MDLF, Gaza, via Skype and via face to face meeting
Yasser Dweik	Executive Manager, JSC Hebron and Bethlehem, Ramallah, via face to face meeting
Mohammed Sukar	Public Relations Officer, JSC Hebron and Bethlehem
Lena Qawasmeh	Finance officer, GPOBA, Al Minyah, via face to face meeting
Mohammad Raban	Former Waste Picker, AlMinyah, via face to face meeting
Raed Al Atrash	Head of Solid Waste Management Department, Hebron Municipality, Hebron, via face to face meeting
Sadi Ali	Director of Project Management Unit at PWA and NGEST Project Manager, Gaza, via Skype
Munther Shoblak	Director General, Coastal Municipalities Water Utility, Gaza, face to face meeting
Mohammed Halabi	Director of International Cooperation, Gaza Municipality, Gaza, via face to face
Ahmad Rabee'	Engineer, Distillation Plant at Deir ElBalah, Gaza, field visit
Fadi Abu Shanab	Engineer, Distillation Plant at Deir El Balah, Gaza, field visit

Jaber Al Ank’ah	Engineer, Municipality of Beit Lahya, Gaza, field visit
Mazen Abu Samra	PWA, Gaza, field visit
Ata El Shekali	Engineer, Gaza Municipality, field visit
Adnan Abu El Kumboz	Head of Supervision Section, Gaza Municipality
Mohammad Hamada	Engineer, Gaza Municipality, field visit
Issam Kilany	Engineer, Gaza Municipality, field visit
Non PID MDTF Donors	
Paolo Curradi	Head of Section, Water and Land Development, Office of the European Union Representative, Jerusalem, via face to face meeting
Ammar Al Khateeb	Programme Manager, Water and Land Development Section, Office of the European Union Representative, via face to face
Shoko Hanzawa	Second Secretary, Representative Office of Japan, Ramallah, via face to face meeting
Peter Riley	Director, Economic Growth and Infrastructure Office, USAID, Jerusalem, via phone
Sector and issue experts	
Yasser Shalabi	Aid Coordination Officer, Infrastructure Local Aid Coordination Secretariat-LACS, Ramallah, via face to face meeting
Yousef Nasser	Ex-Mayor, Birzeit Municipality, Jerusalem, via face to face meeting
Amin Eninab	Ramallah Municipal Council Member, Ramallah, via face to face meeting
Charlotte De Bruyne,	Research Associate, Water and Infrastructure, Office of the Quartet, via face to face meeting
Sufian Musha’sha	UNDP, Ramallah, via face to face meeting

Annex 6: Terms of Reference

Palestinian Partnership for Infrastructure Development Multi-Donor Trust Fund (PID MDTF)

Terms of Reference
Independent Evaluation

1. Context and background to PID MDTF

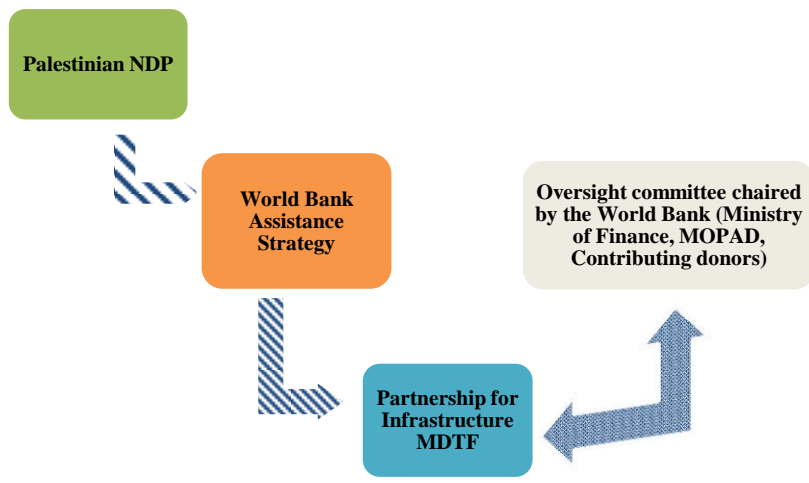
The Partnership for Infrastructure Multi-Donor Trust Fund (PID MDTF) was established on June 6, 2012 and became effective on July 20, 2012 with the objective of improving the coverage, quality, and sustainability of infrastructure in the Palestinian territories through financial and technical support to the Palestinian Authority (PA) in the water, urban development, and energy sectors.

The overall strategy and objectives of the PID MDTF-MDTF are aligned with the PA’s most recent National Development Plan (NDP), as reflected in the FY15-16 Bank Assistance Strategy.

The PID MDTF provides financing for infrastructure projects and analytical/advisory activities in the water, urban development, and energy sectors through financing recipient and Bank-executed activities. All activities that are financed by the PID MDTF are agreed upon based on the PA needs and objectives, thereby maximizing results and streamlining donor contributions.

Trust Fund Governance Structure priorities and activities are aligned with the PA’s objectives, as outlined in the 2014-2016 Palestinian National Development Plan, and described in the latest World Bank’s Assistance Strategy (FY15-16), which was endorsed at the World Bank’s Board on October 30, 2014. The PID MDTF is administered by a World Bank team. Donor inputs are ensured through the PID MDTF Oversight Committee. The PID MDTF Oversight Committee is chaired by the World Bank and includes participation from contributing donors, as well as the PA. The last meeting of the Oversight Committee took place in September 2015. PID MDTF progress reports, as well as audited financial statements are shared with the donors on a regular basis.

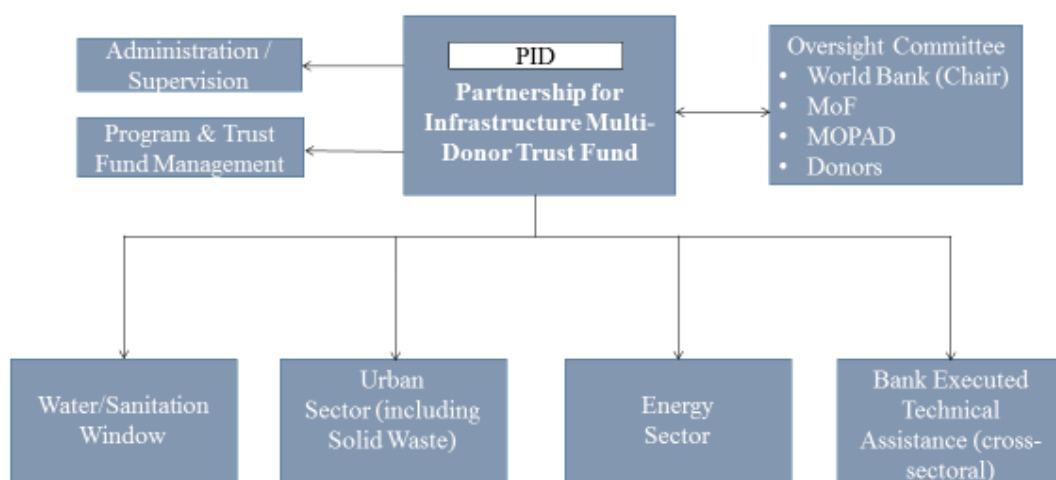
Figure 1: Trust Fund Strategic Alignment



The PID MDTF organizational structure includes the main or Trustee fund. Below the Trustee-level fund, there are six non-disbursing “parent” funds, covering co-financing for urban, energy, and water sectors, a window for recipient-executed technical assistance activities, as well as two windows for program supervision and trust fund management costs. The disbursing funds covering individual activities are established under each “parent” fund. The current structure of the PID MDTF is shown on Figure 2.

Figure 2: Trust Fund Management Structure

MDTF- Administrative Organization



2. Objective of the Evaluation

The evaluation will (i) assess the effectiveness of the PID MDTF program’s 2012-2015 activities, using its various funding activities (recipient- and bank-executed instruments); (ii) provide recommendations for the achievement of the program’s objectives and vision, as well as strategic direction. The PID MDTF would be evaluated to assess its overall relevance, effectiveness, and strategic impact. The evaluation will also review how the PID MDTF structure has responded to the rapid growth following the war in Gaza, where the PID MDTF added 5 new donors and received US\$40 million in new contributions over the scope of 3 months.

3. Audience

The recipient of this evaluation will be the PID MDTF donor partners, who are the target audience of the assignment. In addition, the Palestinian Authority will have the benefit of engaging with the evaluation to maximize the fit with the Palestinian development strategy and national priorities.

4. Time Period Covered by the Evaluation

The evaluation will assess the implementation of the PID MDTF from its effectiveness (i.e. July 20, 2012) until December 31, 2015.

5. Scope of Work⁷⁰

The evaluation should comprise, but not be limited to the following evaluation questions:

5.1 Relevance:

- To what extent are the objectives of the PID MDTF still valid in the overall Palestinian context?
- To what extent has the program’s organization of activities contributed to meet its objectives?
- To what extent have the program’s activities and results been consistent with the intended results and aligned with the PA’s needs and priorities?

5.2 Effectiveness:

⁷⁰ The TOR’s questions are illustrative for guidance purpose. The scope of work will be guided by the Vision Statement. Consultant is encouraged to propose refined questions and further inquire on issues addressed in the Vision Statement as to fully achieve the purpose of the evaluation.

- How effective has the PID MDTF been in addressing key sector issues and achieving its objectives? To the extent possible, the evaluation should assess effectiveness both at the aggregate and the program level with a focus on making recommendations how to use existing opportunities to further strengthen cross-sectoral coordination, streamlining interventions and attracting additional donor partners to the PID MDTF.
- To what extent does PID MDTF management have the flexibility to design and effectively execute the activities to achieve the objectives balanced against donors’ priorities in different sectors?
- To what extent does the PID MDTF have an effective monitoring, reporting and evaluation framework including measurable indicators, systematic and regular processes for collecting data, feedback processes to facilitate decision making and learning, and how effectively these frameworks are used at both the aggregate and program level? How systematically are cross-cutting issues, e.g., gender and accountability, covered in the M&E system?

5.3 Management and Accountability:

- Have the PID MDTF activities been cost-efficient?
- Has the PID MDTF been administered in a cost-effective manner in view of its objectives?
- Has PID MDTF been transparent in providing information on its administration, strategy, finances and operating results to Development Partners and stakeholders?
- Has the program’s governance structure, namely, a multi-donor trust fund hosted and administered by the WBG, adequately supported the success and accountability for results?
- Is there room for improving the efficiency, transparency or quality assurance?

6. Suggested Methodology

The evaluation should combine both quantitative and qualitative approaches for a proper assessment of the results of PID MDTF. The evaluation will rely on information at the country level, aggregate and portfolio levels, but also more detailed information at the program level, where appropriate, in order to validate overall findings.

The consultant will propose the design and methodological approach for conducting the evaluation based on the existing data and information, as well as through structured interviews. However, it would be expected that the suggested methodology include at minimum the following steps:

- Desk evaluation of PID MDTF strategy documents, program documents, and other relevant documents illustrating the program’s results and management.
- Interviews with PID MDTF’s main stakeholders (including Development Partners and recipients) and with WBG staff responsible for designing and implementing operations co-financed under the PID MDTF

7. Deliverables and Payment Schedule

The evaluation work will deliver four activities per the following schedule:

7.1 Inception Report

Deliverable: Inception Report, summarizing:

- Proposed approach/ methodology to the evaluation based on this TOR
- Identification of major issues, including any additional issue not covered by these TOR
- List of key documents and resource people for the evaluation, including candidates for interviews, selected activities for analysis complete with rationale for the selection, and a proposed analytical framework.
- Work program for the evaluation

Expected date: 15 working days following contract signature

7.2 Draft Evaluation Report

Deliverable: Draft Evaluation Report, including:

- Framework for measurement of results, detailing quantitative and qualitative components of the methodology and how these fit together.
- Critical evaluation of the program with main findings and appropriate justification.
- Recommendations.
- Relevant annexes (e.g. quantitative data, interviews transcripts).

Expected date: 25 working days following approval of inception report

7.3 Final Evaluation Report

Deliverable: Final Evaluation Report, including:

- Revised Evaluation Report.
- Incorporation of comments and feedback by the assignment’s Oversight Committee.
- Executive summary and recommendations note.

Expected date: 10 working days after the draft evaluation report is cleared by the assignment’s Oversight Committee

7.4 Completion of Assignment

Deliverable: Edited Evaluation Report, including supporting data sets and other relevant documents.

Expected date: 5 working days after the Evaluation Report have been cleared by the assignment’s Oversight Committee

7.5 Payment Schedule

- 10% advance upon contract signing
- 30% after the Inception Report
- 40% after Draft Evaluation Report
- 20% after Final Evaluation Report

The expected time line and delivery dates are summarized as follows:

Deliverable	Estimated input (man-days)	Expected date
1. Inception Report	15	March 1, 2016
2. Draft Evaluation Report	40	April 15, 2016
3. Final Evaluation Report	15	May 15, 2016
4. Completion	5	May 31, 2016

8. Consultant qualification

The Consultant team would be expected to comprise at minimum a Team Leader and Technical Advisor(s), with sector-specific technical input as needed for the sectors covered by the PID MDTF. It will be critical to draw on local Palestinian expertise with team members travelling or based in the West Bank and Gaza.

Team Leader (Regional Expert):

- Senior Development and Evaluation Expert with strong background and experience in development effectiveness and Program evaluation
- Minimum Master’s degree in a field relevant for this assignment and with 10-15 years of applicable professional experience
- Previous experience with World Bank financed operations, in particular Trust Fund financed programs
- Regional or global experience, particularly in fragile and conflict affected environments

- Solid understanding of both the programmatic central level and social local level impacts of infrastructure investments

Technical Advisor(s)

- Technical/ development expert with relevant experience for this assignment, including overall development effectiveness and sector expertise in water, urban and energy (as applicable)
- Preferably, expertise in assessing and evaluating donor-funded operations
- Experience with M&E in Palestine
- Master’s or bachelor degree in a field relevant for this assignment and with 5-10 years of applicable professional experience

9. Reporting and Management of the Assignment

The evaluation will be managed by the World Bank task team, led by Björn Philipp, Program Leader, Infrastructure and Local Services (bphilipp@worldbank.org; +972-2-2366514). The Consultant will report directly to the World Bank.

Throughout the assignment, the Consultant will interact with members of the Oversight Committee. The Consultant may also interact with representatives of the PA (Ministry of Finance and possibly other line ministries).

The findings and recommendations, along with all reports and outputs, will be shared with the PID MDTF Oversight Committee.