



Palestinian territories

PARTNERSHIP FOR INFRASTRUCTURE DEVELOPMENT (PID)

PROGRAMMATIC MULTI-DONOR TRUST FUND (MDTF)

TF071898, TF072778

SEMI-ANNUAL REPORT

SEPTEMBER 1, 2018 TO FEBRUARY 28, 2019



CONTENTS

Summary and Key Updates	01
Sector Reviews	14
Water Sector	14
Urban Sector	18
Energy Sector	25
Bank-executed Technical Assistance (TA)	28
PID MDTF Program and TF Management Fund	31

LIST OF TABLES

Table 1: Summary of Results Matrix of Active Projects	04
Table 2: Ongoing Project Highlights	05
Table 3: PID MDTF Contributions	07
Table 4: Child Trust Funds: Commitments and Disbursements	08
Table 5: Pledges, Commitments and Allocations by Sector	10
Table 6: Proposed Activities, Allocated and Remaining Funding Needs	11
Table 7: ICR Ratings of Closed Water Projects	14
Table 8: Key Project Ratings - Urban	18
Table 9: Key Project Ratings - Energy	25

LIST OF ANNEXES

ANNEX 1: PID MDTF Results Matrix	32
ANNEX 2: Parallel Trust Fund Break-down	35
ANNEX 3: Unaudited Trust Fund Financial Reports: TF071898, TF072778	36

ABBREVIATIONS & ACRONYMS

AF	Additional Financing
AFD	Agency Française de Development
ASA	Advisory Support and Analytics
AW	Associated Works
CD	Capacity Development
CM	Cubic Meter
CoM	Cabinet of Ministers
DFID	United Kingdom- Department for International Development
DISCO	Distribution Companies
DLI	Disbursement Linked Indicator
DP	Development Partner
EC	European Commission
ESF	Environmental and Social Framework
ESPIP	Electricity Sector Performance Improvement Project
EU	European Union
GA	Grant Agreement
GPP	Gaza Power Plant
GSWMP	Gaza Solid Waste Management Project
GEDCO	Gaza Electricity Distribution Company
GSWSP	Gaza Sustainable Water Supply Program
ICR	Implementation Completion and Results Report
IP	Implementation Progress
JSC	Joint Service Council
JSC-KRM	Joint Service Council for Khan Younis, Rafah, and Middle Gaza
LGSIP	Local Governance and Services Improvement Program
LG	Local Government
LGU	Local Government Unit
LWSC	Land and Water Settlement Commission
MDLF	Municipal Development Lending Fund
MDP	Municipal Development Project
MIS	Management Information System
MoFP	Ministry of Finance and Planning
MoLG	Ministry of Local Government
MTR	Mid-term Review
NGEST	Northern Gaza Emergency Sewage Treatment Project
NWC	National Water Company
O&M	Operations and Maintenance
OG	Oversight Group
PDO	Project Development Objective
PENRA	Palestinian Energy and National Resources Authority
PERC	Palestinian Electricity Regulatory Council

PETL	Palestinian Electricity Transmission Company Ltd.
PID MDTF	Partnership for Infrastructure Development Multi-Donor Trust Fund
PLA	Palestinian Land Authority
PMO	Prime Minister's Office
PPA	Power Purchase Agreement
PPP	Public Private Partnership
PV	Photovoltaic
PWA	Palestinian Water Authority
RE	Renewable Energy
RPP	Revenue Protection Program
SP	Service Providers
STLV	Short Term Low Volume
TA	Technical Assistance
TF	Trust Fund
UK	United Kingdom
VC	Village Council
WB	World Bank
WB&G	West Bank and Gaza
WHO	World Health Organization
YC	Youth Committee

Summary

Key Updates

This semi-annual report provides an update on the financial data and implementation progress (IP) of activities co-financed under the Partnership for Infrastructure Development Multi-Donor Trust Fund (PID MDTF). The most recent annual report was finalized following the Oversight Group (OG) meeting in October 2018 and covered the period September 2017- August 2018. The reporting period for this semi-annual report includes an update of the six months following this period, until February 28, 2019. As agreed at the latest OG annual meeting, the reporting period for the next Annual Report will be adjusted to align with the World Bank's Fiscal Year (FY) and is going to span the period of July 2018 to June 2019.

Results. Activities co-financed under the PID MDTF continue making good progress towards achieving the intended development results. The Program Results Matrix with outcome indicators for the projects co-financed by the PID MDTF has been updated with the current progress against the baseline and project targets. Please see a summary of results matrix in Table 1 while the detailed results matrix is in Annex 1. Updates for key outcome indicators of the recently launched operations will become available during first months of implementation and be included in the next Annual Report. Active projects highlights are found in Table 2.

Detailed Implementation Completion and Results Reports (ICRs) were prepared and published during the reporting period for two operations that have closed last FY: (i) Northern Gaza Emergency Sewage Treatment (NGEST) Project; and (ii) The Gaza Sustainable Water Supply Project (GSWSP). The ICRs assessed that NGEST has achieved its Project Development Objective (PDO) with a 'Moderately Satisfactory' rating; and rated the PDO achievement for GSWSP as 'Satisfactory'. These are remarkable achievements given the challenging context of the Gaza Strip. A more detailed summary of ICR ratings is included in the water sector section.

Overall, closed investment operations co-financed by the PID MDTF have directly benefited 1.9 million persons (50 percent women), restored basic water supply and wastewater infrastructure which has contributed to improving the quality and efficiency of water supply and wastewater services. The investments helped avoiding the break out of disease and contributed to a 74.6 percent improvement in wastewater effluent in the Gaza Strip. With the completion of NGEST, a critically needed long-term solution to the wastewater treatment issues in the Northern Gaza Strip has been provided. As a result, more than 400,000 people are directly benefitting from improved sanitation services in north Gaza; and the project addressed the immediate threat to communities living adjacent to the Beit Lahia sewage lakes, around 52,000 inhabitants. The project also achieved to (i) upgrade the existing power grid to connect all project components to a permanent power supply with an average of 20 hours electricity per day; (ii) construct, test, commission and operate the North Gaza Wastewater Treatment Plant (WWTP) with a capacity of 35,000 CM per day; (iii) commission the recovery schemes with effluent recovery wells constructed and functional; and (iv) establish an Operations and Maintenance (O&M) plan, including increases of O&M financing and cost recovery for the WWTP.

The GSWSP supported developing of a complete set of detailed designs, bidding documents, and the Environmental and Social Impact Assessment (ESIA) for the Associated Works under the Gaza Central Desalination Program (GCDP). Preparation of a Bank-financed project with co-financing from the PID MDTF is currently underway to launch construction of the Associated Works in the Southern Gaza Strip with the objective to increase coverage and quality of water supply in Gaza.

Pledges. To date, nine donors are active under the PID MDTF. The United Kingdom's Department for International Development (DFID) joined the trust fund in December 2018 with a contribution of GBP18 million (US\$23.47 million equivalent). Sweden has replenished the PID MDTF with SEK90 million (US\$9.70 million equivalent), and Norway with an amount of NOK73 million (US\$8.51 million equivalent). In total, new contributions sum up to US\$41.68 million equivalent, bringing the total pledges of the PID MDTF to US\$186.4 million. Please see Table 3 for the distribution of pledges by donor.

Discussions are ongoing with other partners such as the European Commission (EC) and the Australian Representative Office who have expressed interest in principle to join the PID MDTF.

Commitments. Funding in the amount of US\$123.5 million has been committed: US\$120 million to Recipient-executed activities implemented through the Palestinian Authority (PA); and US\$3.5 million to Bank-executed activities for analytical work and Technical Assistance (TA) implemented by the World Bank (WB). Progress has been made in consolidating PID MDTF activities under a more programmatic approach. Currently, a total of eight Grant Agreements (GAs) are now active under the TF071898 (including the trust fund management grant), down from seventeen GAs in the last reporting period (September 1, 2017 to August 31, 2018). Disbursements have reached US\$78.4 million, equivalent to 64 percent of the total commitments (see Table 4). Program and Trust Fund (TF) management commitments have been kept at US\$700,000, with disbursements through February 28, 2019 at US\$465,600.

New and planned operations. The Additional Financing (AF) to the Electricity Sector Performance Improvement Project (ESPIP) was approved by the World Bank Board of Executive Directors in January 2019, with a total amount of US\$12 million, of which US\$7 million is financed from the PID MDTF and another US\$5 million from the World Bank's Trust Fund for Gaza and the West Bank (TFGWB). Preparation of a follow-up operation is currently under discussion with the Palestinian Energy and National Resources Authority (PENRA). The proposed program would be developed applying a Multiphase Programmatic Approach (MPA), with the Concept Note (CN) expected by May 2019. Tentative allocation from the PID MDTF would be US\$18 million.

An AF to the Third Municipal Development Project (MDP-3) in the amount of US\$15 million for scaling up of labor-intensive municipal service delivery in Gaza is in the last stage of preparation and scheduled for submission to the World Bank Board of Executive Directors for approval in May 2019. The MDP-3 AF would be financed with US\$10 million from the TFGWB and US\$5 million from the PID MDTF. The GCDP Associated Works Phase I Project is also under preparation with total financing of US\$42 million, of which US\$27 million from the PID MDTF and US\$15 million from the TFGWB. Project pre-appraisal has been launched in March 2019, with formal appraisal expected in June and Board approval scheduled in August 2019.

A tentative allocation of US\$3 million has been made to the Real Estate Registration Project (RERP) currently under preparation. US\$2 million have been allocated to address the financing gap under the Local Governance and Services Improvement Program (LGSIP) currently under implementation. Although the GA for the Gaza Solid Waste Management Project (GSWMP) in the amount of US\$0.75 million remains pending, the Bank has clarified with the PA the funding needs and allocations during the recently completed Project Mid-Term Review (MTR). The PID allocation will be used for the closure of the current Sofa and Deir el Balah dumpsites. Finally, US\$800,000 are allocated to the Bank-executed Support to the Palestinian Land Sector Advisory Support.

Total allocations sum up to US\$55.48 million, as per the details provided in Table 5. Fund allocations and remaining funding needs for proposed and ongoing operations co-financed under the PID MDTF are presented in Table 6.

Cross-cutting themes. Activities financed under the PID MDTF support rolling-out several cross-cutting initiatives that are highly relevant across the sectors. These include the World Bank's new framework for social and environmental development, but also mainstreaming of youth, gender, and citizen engagement across the portfolio.

Environmental and Social Development. The new WB Environmental and Social Framework (ESF) became effective on October 1, 2018. All WB operations with a CN approved after that date will apply the new ESF. Currently, all operations in the pipeline for co-financing under the PID MDTF had their CNs approved prior to that date and will apply the Bank's safeguards policies in effect prior to launching the new ESF. In the meantime, the Bank environmental and social team is providing training and capacity building support to the Project Management Units and responsible line agencies to prepare them for the new ESF.

Youth. The Bank is supporting the Palestinian Water Authority (PWA) in its efforts to mainstream youth in the water sector. This initiative is funded by the Norway West Bank and Gaza Single Donor TF, which provides parallel financing for technical and advocacy support to the water sector operations under implementation with co-financing from the PID MDTF. As of April 2018, a Youth Committee (YC) was established, composed of a multidisciplinary group of seventeen young professionals between 20-35 years old. The YC was established following a series of consultations with different stakeholders and several activities designed and implemented by the PWA to further structure this body. The initiative aims at operationalizing the YC towards becoming an active youth arm of the PWA in the water sector, contributing to policy development, service delivery enhancement and monitoring and evaluation of service providers. In collaboration with the water sector stakeholders, the YC will define and coordinate activities for youth that will enhance economic participation, increase youth voice and agency, and amplify youth benefits.

Gender. All activities under preparation and implementation with co-financing from the PID MDTF are fully integrated in the Bank's Assistance Program for the Palestinian territories and the Bank has developed a Country Gender Action Plan (C-GAP) to strengthen and measure gender-sensitivity in Bank-financed operations. The Second Country Gender Action Plan (C-GAP II) for the Palestinian territories FY2018-21 is currently under implementation. A gender team is in place to conduct gender screening of all pipeline projects and then provide support to task teams during preparation and implementation of projects. The concerted effort to focus on gender has reaped positive results: for FY2018 and FY2019 to date, 81 percent of projects have been considered gender tagged. All PID MDTF co-financed projects are gender tagged. Recently prepared operations, such as the ESPIP and MDP-3, have received targeted support from assigned World Bank Gender Specialists and are designed with particular attention to Palestinian women. The projects include specific activities and indicators to support female economic empowerment and strengthen women's voice and agency, aligned with the Bank's Assistance Strategy's (FY18-21) call for more attention to the future of work for women. Under ESPIP, the Bank is engaging Palestinian female entrepreneurs through provision of rooftop solar photovoltaic (PV) systems and new employment opportunities in the renewable energy sector. MDP-3 is aiming for a high quota of female engagement during project consultation, but there is further room to strengthen the way results indicators and project

reporting capture gender-specific issues. For example, how are considerations of women and their families being integrated into the decisions made for and by the community; and how are these decisions making a difference? Two areas have been selected to reflect better how women's voice and agency is being strengthened: (i) enhancing Local Government Units (LGUs) reporting capacity; and (ii) developing a more targeted, gender disaggregated analysis of the Local Government Performance Assessment survey results.

Citizen Engagement. Mainstreaming citizen engagement represents an important element in the Bank's Assistance Strategy for the WB&G. Specific indicators of citizen feedback or effective grievance redress have been integrated in PID MDTF co-financed projects, including but not limited to ESPIP and MDP-3. One of the key entry points has been the integration of systems of citizen feedback and citizen participation into municipal development. In fact, Palestine is first in the region to measure citizen perceptions of outcomes related to participatory municipal processes.

Table 1: Summary of Results Matrix of Active Projects

Results Indicators	Unit of Measure	Baseline	Current	End Target
Enhance the institutional capacity of Local Government Units and strengthen the local government financing system for more accountable and sustainable service delivery.				
Improving Local Service Delivery				
People provided with improved living conditions and access to improved services. (50 percent of which female beneficiaries.) (2016-2022). ¹	Number	0	369,778	850,000
People benefitting from improved sanitation disposal services in Gaza (Khan Younis, Rafah, and Middle Gaza).	Number	0	474,000	948,000
Enhancing Performance of Local Government Sector Institutions				
Number of municipalities with operational and enterprise surplus and no increase in arrears. (2018-2022).	Number	40	40	80
Percentage of VCs receiving transparent and predictable Annual Capital Grants.	Percentage	0	53	70
Strengthening Good Governance in the Local Government Sector				
Percentage of VCs submitting their annual budget to MoLG electronically on time and have disclosed budgets publicly.	Percentage	1	53	60
Number of municipalities with functional complaint system. (2018-2022).	Number	22	22	100
Enhance institutional capacity of the energy sector, improve efficiency of the distribution system in targeted areas, and pilot a new business model for solar energy service delivery in Gaza. (revised PDO).				
Enhancing Performance of Energy Sector Institutions				
PETL collection rate from DISCOs.	Percentage	0	0	90
Electricity losses per year in the project area.	Percentage	23	23	19
Number of management information systems in operation.	Number	0	0	6
Strengthening Good Governance in the Energy Sector.				
Grievances registered related to delivery of project benefits responded to.	Percentage	0	0	100
PERC's audits of ERPs of two DISCOs.	Yes/No	No	No	Yes

¹. MDP 500,000 + LGSIP 350,000

Table 2: Active Project Highlights

PROJECT	KEY DEVELOPMENT	BENEFICIARIES	PROGRESS
<p>GZ-Third Municipal Development Project</p> <p>P159258, TF0A6154</p>	<ul style="list-style-type: none"> Additional disbursement from the PID- MDTF was made in March which brings the total disbursement ratio to 30 percent out of total PID MDTF financing and 27 percent out of total project financing. MDLF intensified the implementation of infrastructure investment subprojects under Cycle 1. MDLF will align the capacity building packages with the LGU creditworthiness thrust of the project by focusing on project cycle training (e.g., pre-feasibility preparation, procurement, FM, safeguards, construction supervision and contract management, and monitoring and evaluation, and operation, maintenance, and sustainability of subprojects). Consultancy services were procured to carry out a diagnostic study of PPP to inform the development of key interventions under Component 3 "Municipal Partnership Projects". A consultant was recruited to provide support to MDLF to develop the Road Map for MDLF lending operation. The next Implementation Support mission is planned in June 2019. 	<ul style="list-style-type: none"> MoLG, MDLF and Municipalities 	<p>PDO</p> <p>IP</p>
<p>Local Governance and Services Improvement Program</p> <p>P148896, TFA45511</p>	<ul style="list-style-type: none"> A Program Mid-Term Review (MTR) of LGSIP was carried out by the WB and the financing partners in September 2018. The Program remains relevant, objectives align well with the priorities of the PA. The program continues to show progress in meeting its PDO and in achieving mid-term targets. The program has initiated predictable and timely announcement and transfer of grants to VCs. For two (2) consecutive years, the Ministry of Finance and Planning (MoFP) issued a directive announcing the amounts to be allocated to VCs and completed the transfer of these grants. Three of seven Disbursement Linked Indicators (DLIs) were achieved. These include: enabling steps to strengthen local governance adopted by MoLG; timely communication and transfer to Village Councils (VCs) of the formula-based annual grant allocations; and cumulative number of joint projects approved. 10 joint projects were approved by the LGSIP Program Committee. The verification for achieving Disbursement Linked Result (DLR) #4 on joint projects was completed and additional disbursement in the amount of US\$1.3 million from PID MDTF was made in January 2019. 		<p>PDO</p> <p>IP</p>
<p>Gaza Solid Waste Management Project</p> <p>P121648 TF018377</p>	<ul style="list-style-type: none"> The project was re-structured in April 2018 and closing date extended through 30 November 2020. The project progress percentage of 67 percent for the full construction work. A short-term cell design was completed to reshape the existing landfill, and to ensure continuity of receiving daily incoming waste from Rafah Governorate until construction work of the new landfill completed and start operation in 2019. Rehabilitation works of the existing dumpsite was finished and creation of interim cell (short-term and extension cells) and eastern side of dumpsite to receive daily incoming waste, in addition to the removal of large quantities of scattered waste. 600,000 cubic meters (MC) of clay soils of the excavated material due to the construction of Al Fukhary Sanitary Landfill were transferred to a governmental vacant land outside the landfill site boundary due to the scarcity of land area within the landfill site. 37,680 temporary jobs were created as part of the construction activities and 114,245 are direct beneficiaries from the GSWMP which 66 percent of which are female. The sustainable livelihood program that supported 16 waste pickers has been completed. The program was sponsored by the Islamic Development Bank (IDB) and implemented by the UNDP-DEEP through a local partner (PARC). Design of Rafah transfer station and Sofa access road were finished and the two projects currently under implementation. Solid Waste Steel Containers with capacity of 1, 4 and 40 MC were supplied for Transfer Stations and Routing System and it resulted in the commissioning of five collection routes. Contractual and institutional arrangements for all JSC-KRM operations was identified. Through 2018, there has been a 4.6 percent increase in fees collected semi-annually by the member municipalities towards cost recovery. 	<ul style="list-style-type: none"> 474,000.00 (49percent women) people in urban areas provided access to regular solid waste collection. 118,500 beneficiaries aware of project info. and project investments. 	<p>PDO</p> <p>IP</p>

<p>West Bank and Gaza Electricity Sector Performance Improvement Project (ESPIP) &AF</p> <p>P148600, TF0A5078</p> <p>&</p> <p>P167914, TF0A9136</p>	<ul style="list-style-type: none"> ● PENRA reports 100 percent collection rate of the bills issued for electricity provided by PETL to the Northern Electricity Distribution Company (NEDCO) and Tubas Electricity Distribution Company (TEDCO) in 2017-18 from Jenin substation, which was energized following the signing of the interim PPA. ● Each of the six DISCOs across West Bank and Gaza completed a detailed review of their customer database to identify 16,000 high-value customers to be covered under the Revenue Protection Program (RPP). ● All six DISCOs completed the Information Systems (IT systems) review and gap analysis to identify priority needs for development of a comprehensive Management Information System (MIS). ● The Gaza rooftop solar initiative was formally launched in October 2018 with signing of the PENRA-Gaza Electricity Distribution Company (GEDCO) agreement. The technical review for the solar rooftop PV kits for Households and SMEs was completed and the procurement process for the first phase will commence in March 2019. GEDCO and Bank of Palestine conducted first round of workshops for women business owners, other rounds for SMEs will follow. 	<ul style="list-style-type: none"> ● PENRA ● PETL ● PERC ● DISCOs <ul style="list-style-type: none"> ● Targets to reach to 9,300 (30percent women) persons with new/improved electricity 	<p>PDO</p> <p>IP</p>
<p>Palestinian Local Government Sector Reform Support ASA</p> <p>P161279, TF0A3599</p>	<ul style="list-style-type: none"> ● Improved progress on intergovernmental fiscal transfer reform. ● On the revenue side, PA has decided to devolve, on pilot basis, collection of real property tax to municipalities. ● PA adopted a roadmap for reforming the land administration in West Bank and Gaza. ● The MDLF and MoLG develop the lending program for LGUs, the Bank will continue to provide advice and technical input to MDLF Lending Roadmap. ● The Bank will assess how to institutionalize aspects of Local Government Performance Assessment, particularly with regard to benchmarking and MoLG carrying out the assessment, as a regular operational oversight and monitoring of LGU performance. 	<ul style="list-style-type: none"> ● MOLG ● MDLF ● LGUs ● Association of Palestinian Authorities or (APLA) 	<p>N/A</p>
<p>Support to the Palestinian Land Sector</p> <p>P163872; TF0A4947</p>	<ul style="list-style-type: none"> ● The Bank continues its reform agenda, the revised Palestinian Land Authority Law was adopted by the Cabinet of Ministers and is now on the President's desk for approval. ● The Bank launched its first results-based program to support the Palestinian Land Authority in implementing the comprehensive Land Reform Road Map, including institutional modernization, systematic land and property registration, and land policy reforms. ● Launched a TA to LWSC. ● Conducted a Dissemination Workshop on Palestinian Land Sector Report. ● WB team presented the finding of The Socio-Economic Effects of Weak Land Registration and Land Administration System in the West Bank. 	<ul style="list-style-type: none"> ● PA: Land & Water Settlement Commission (LWSC); Palestinian Land Authority (PLA). 	<p>N/A</p>
<p>West Bank & Gaza Energy Sector Programmatic TA</p> <p>P162545, TF0A4202</p>	<p>The consultancy services have supported the ESPIP project, and the additional finance, in technical assessment and preparation:</p> <ul style="list-style-type: none"> ● Of technical specifications for the bidding process to support the Revenue Protection Program, ● The development of MIS (component 2) and the solar rooftop initiative for Households, SMEs and health facilities (component 3). ● The TA will continue to support finalization of the ESPIP components. continues to support PENRA in developing a white paper on financial flows in the sector, including the development of a detailed financial model for the sector. ● The paper is under finalization by a committee comprising of PENRA, PETL, PERC, MoLG and MoFP. ● The TA will now also begin supporting initial design of the next Energy sector project. 	<ul style="list-style-type: none"> ● PENRA ● PETL ● DISCOs ● GEDCO 	<p>N/A</p>

KEY

PDO: Progress toward achieving the PDO

IP: Overall Implementation Progress

- Satisfactory or Highly Satisfactory
- Moderately Satisfactory
- Moderately Unsatisfactory / Unsatisfactory

PID MDTF Parallel Parent Trust Funds

TF071898

Approval	June 6, 2012
Activation	July 20, 2012
End of disbursement	December 31, 2022

TF072778

Approval	December 9, 2016
Activation	December 15, 2016
End of disbursement	December 31, 2027

Table 3: PID MDTF Contributions

MARCH-19		PLEGGED TO DATE - TOTALS					
CONTRIBUTORS	CURRENCY	PLEGGED		PAID-IN TO DATE		RECEIVABLES	
		Pledge Currency	US\$	Pledge Currency	US\$	Pledge Currency	US\$
Croatia	USD	200,000	\$200,000	200,000	200,000	-	-
Sweden	SEK	433,000,000	54,175,694	433,000,000	54,175,694	-	-
Denmark	DKK	360,000,000	59,814,205	340,000,000	56,762,238	20,000,000	3,051,967
Finland	Euro	10,950,000	13,046,739	10,950,000	13,046,739	-	-
France	Euro	3,500,000	4,390,050	3,500,000	4,390,050	-	-
Netherlands	US\$	4,000,000	4,000,000	4,000,000	4,000,000	-	-
Norway	NOK	220,017,000	27,134,297	217,539,264	26,840,921	2,477,736	293,376
Portugal	Euro	150,000	182,835	150,000	182,835	-	-
United Kingdom-DFID	GBP	18,000,000	23,477,564	2,800,000	3,514,644	15,200,000	19,962,920
US\$ TOTALS			\$186,421,383		\$163,113,120		\$23,308,263

Table 4: Child Trust Funds: Commitments and Disbursements

Grant Number	Grant Name	Project ID	Grant Closing Date	Grant Amount US\$	Disbursements US\$
TF 071898- Active GAs					
TF018377	Gaza Solid Waste Management Project	P121648	11/31/2020	750,000	0
TF0A4511	Local Governance and Services Improvement Program (LGSIP)	P148896	12/31/2020	13,000,000	2,310,833
TF0A3599	Local Government Sector Reform ASA	P161279	12/31/2020	700,000	519,643
TF0A4202	West Bank & Gaza Energy Sector Programmatic Technical Assistance	P162545	12/31/2019	1,000,000	806,834
TF0A5078	West Bank Gaza Elec. Sector Performance Improvement-ESPIP-P148600 -PID MDTF	P148600	6/30/2022	7,000,000	965,916
TF0A9136	West Bank Gaza Elec. Sector Performance Improvement-ESPIP- P148600 -PID-MDTF-Additional Financing	P167914	12/20/2023	7,000,000	0
TF014530	PID MDTF Program and TF Management Fund	P130100	12/31/2022	700,000	465,600
TF0A7564	Water Security Technical Assistance	P167309	1/31/2021	900,000	44,861
Sub Total- Active GAs				31,150,000	7,078,758
TF 071898- Closed GAs					
TF017186	Gaza Sustainable Water Supply Program	P150494	5/31/2018	2,500,000	2,398,161
TF018268	Gaza Emergency Water Supply and Sewage Systems Improvement Project Additional Financing	P101289	12/31/2017	11,858,600	8,239,352
TF015756	Water Sector Capacity Building co-financing fund	P117443	12/31/2017	2,852,452	2,852,452
TF016501	Third Additional Financing for the North Gaza Emergency Sewage Treatment Project	P074595	6/30/2018	5,000,000	5,000,000
TF017221	NGEST Solar Power Feasibility Study	P149853	3/31/2016	149,832	149,832
TF0A1061	Second Municipal Development Project - Additional Financing	P127163	2/28/2018	6,900,000	6,899,293
TF016476	Second Municipal Development project	P127163	2/28/2018	25,800,000	25,799,060
TF018378	GZ Emergency Response AF MDP-2	P127163	2/28/2018	12,000,000	11,999,001
TF018376	Southern West Bank Solid Waste Management Project	P154102	6/30/2016	1,500,000	1,500,000
TF0A2807	Project Preparation Grant for ESPIP	P148600	12/31/2018	2,500,000	1,944,936
Sub Total- Closed GAs				71,659,237	64,853,420

Parent TF072778

TF0A4947	Support to the palestinian land sector	P163872	6/30/2019	700,000	538,328
TF0A6154	Municipal Development Project III - MDP3	P159258	2/28/2022	20,000,000	5,895,555
Sub Total- Closed GAs				20,700,000	6,433,884
TOTAL				123,500,237	78,366,062

Table 5: Pledges, Commitments and Allocations by Sector

Commitments & Allocations in USD	
Pledged	\$186,421,383
Committed	
Water Sector	\$22,211,052
Urban Sector	\$79,950,000
Energy Sector	\$14,000,000
Bank-Executed TA	\$3,449,832
Program and Trust Fund Mgmt.	\$700,000
Central Administration Fee (TF071898 & TF072778)	\$3,146,877
Sub-total	\$123,457,761
Allocations	
Water Security Development: Gaza Central Desalination Program (GCDP) Associated Works (AW) Phase 1	\$27,000,000
Water Sector	\$27,000,000
Third Municipal Development Project (MDP-3) Additional Financing (AF)	\$5,000,000.00
Real Estate Registration Project (RERP)	\$3,000,000.00
Local Governance and Services Improvement Program (LGSIP)	\$2,000,000.00
Urban Sector	\$10,000,000
Advancing Sustainability in Power Sector (ASPIRE)	\$18,000,000
Energy Sector	\$18,000,000
Support to the Palestinian Land Sector	\$800,000
Bank-executed TA	\$800,000
Program and Trust Fund Management (up to 3 percent)	\$4,892,831
Central Administration Fee (5% of the unpaid funds under TF072778)	\$1,165,413
Sub-total	\$61,858,244
Total Unallocated/Funding Gap	\$1,105,378

Table 6: Proposed Activities, Allocated and Remaining Funding Needs in million US\$

Proposed Activity	Allocated PID MDTF Funding	Remaining Funding Needs (Financing Gap)
Gaza Central Desalination Program (GCDP): Associated Works Phase 1	\$27 m	\$9m - Phase I: Associated Works Project \$25m- Phase II: Associated Works Project (Gaza City only)
Objectives To improve quality of water supply services in the project areas; and strengthen the capacity of selected institutions.		
Hebron Wastewater Management Project (HRWMP)		\$5.5m
Objectives To establish basic wastewater services for Hebron City and making treated effluent available for agriculture.		
Future National Service Improvement Projects		\$15m
Total Water Financing Allocation and Gap	\$27 m	\$54.5 m
Third Municipal Development Project (MDP-3)	\$5m	
Objectives To enhance the institutional capacity of municipalities in the West Bank and Gaza for more accountable and sustainable service delivery.		
Local Governance and Services Implementation Program (LGSIP)	\$2m	
Objectives To strengthen the local government financing system and improve local service delivery in Program villages.		
Real Estate Registration Project (RERP)	\$3m	\$3m - Component A: Systematic Land and Property Registration. \$4m - Component B: Institutional Modernization of PLA
Objectives To enhance tenure security and improve real estate registration services for businesses and citizens.		
Total Urban Financing Allocation and Gap	\$10m	\$7m

**Advancing Sustainability
in Power Sector (ASPIRE).**

\$18m

\$3m - for follow up of ESPIP - upgrading remaining connection points; scaling-up the implementation of Revenue Protection Program in West Bank and Gaza DISCOs; support for solar PV roof-top in Gaza and expansion to West Bank (particularly SMEs and health facilities).

\$25m - in West Bank for construction of priority HV/MV sub-stations and transmission; upgrade of key MV/LV transmission lines; Jordan interconnection; support to PERC on regulatory reform.

\$12m - in Gaza for implementation of MV/LV priority transmission needs, phase 2 of SCADA and support for 161KV IEC interconnection

Objectives

To enhance institutional capacity of the energy sector, improve efficiency of the distribution system in targeted areas, and pilot a new business model for solar energy service delivery in Gaza.

Total Energy Financing Allocation and Gap

\$18m

\$40m



WATER
SECTOR

Sector Reviews

The following section highlights key achievements and main issues of the activities co-financed by the PID MDTF, as well as upcoming priorities for each of the three sectors.

Water Sector

The water sector interventions co-financed by the PID MDTF were essential to overcome major challenges in the Palestinian water and sanitation sector. Following completion of key activities that had been launched in Gaza after the 2014 war, all water and sanitation sector activities under the trust fund have now been closed and a new Program is under preparation. PID MDTF financing helped restoring basic water and sanitation services, provide long term solutions for the treatment of wastewater in Gaza, and assist capacity building linked to the ongoing sector reform process. However, there is a continued need to support the key sector stakeholders in their efforts assuring water security, i.e., adequately managing water resources and providing sustainable, efficient, and equitable water services to Palestinians. This includes activities to further advance institutional reforms to improve the accountability of service providers (SP) and enhance the efficiency and sustainability of water services.

Currently, there are no active water sector investment operations with co-financing from the PID MDTF. The Bank recently closed four sector operations and concluded a Water, Sanitation and Health (WASH) Poverty Diagnostic study. ICRs are available online, including for the most recent operations, i.e., NGEST and the GSWSP. A detailed assessment of the projects, including lessons from implementation, can be accessed through NGEST ICR Report Link². Ratings from the ICRs are summarized in Table 7.

Main lessons that emerge from the operational experience and recent analytical work include the following: (i) water resource management is crucial to meet projected future demand, especially in Gaza where the situation is already dire; (ii) institutional reforms are imperative to improve the efficiency and quality of services and protect consumer interests; (iii) improvements of the operational and financial performance of water service provision are necessary to enhance commercial viability and the ability to attract private investments; (iv) the lack of regional cooperation, including on issues such as import of materials to Gaza and transboundary wastewater management, are constraining the sustainable development of the Palestinian water sector and the PA's ability to fully develop its own water sources.

Table 7: ICR Ratings of Closed Water Projects

Gaza Sustainable Water Supply Program (GSWSP)	ICR Rating
Outcome (achievement of PDO)	● Satisfactory
Bank Performance	● Satisfactory
Financial Management	● Satisfactory
Procurement	● Moderately Satisfactory
Monitoring and Evaluation	● Moderately Satisfactory*
Northern Gaza Emergency Sewage Treatment (NGEST) Project	ICR Rating
Outcome (achievement of PDO)	● Moderately Satisfactory
Bank Performance	● Moderately Satisfactory*
Financial Management	● Satisfactory
Procurement	● Moderately Satisfactory
Monitoring and Evaluation	● Moderately Satisfactory*

Table Notes: *: as an overall rating was rated substantial due to minor weakness in M&E design regarding the indicators to track improvements in the CMWU's capacity and ability to deliver services, implementation and utilization of M&E data was successful.

2. <http://documents.worldbank.org/curated/en/128411546544527693/pdf/icr00004407-12282018-636818041847365756.pdf>

West Bank and Gaza: Gaza Central Desalination Program (GCDP): Associated Works-Phase I

Duration	4 years
Total Financing	US\$110 million
Project Financing	US\$27 million from the PID MDTF; US\$15 million from the TFGWB
Status	under preparation

OBJECTIVE To improve quality of water supply services in the project areas; and strengthen the capacity of selected institutions.

Background

Currently, the population in the Gaza Strip relies almost totally on groundwater which is brackish and not fit for human consumption. Ninety seven percent of water wells in Gaza do not comply with World Health Organization (WHO) drinking standards due to high chloride and nitrate concentrations. This exposes the people to unacceptable high health risks.

To address the critical human needs of potable water in Gaza Strip – with focus on the southern and middle governorates– the proposed Project will utilize available 10MCM that will be available from Israel imported through Mekorot plus additional 7.3MCM that will be generated in Gaza from two “short term low volume” (STLV) desalination plants.

The project will support investments in infrastructure to address urgent water quantity and quality needs in the project area by blending in fresh water from Mekorot and the STLVs with brackish ground water to achieve WHO standard for potable water which will be subsequently supplied through the water distribution network.

At the same time, the project would support enhancing the ability of PWA and relevant key sector institutions to fulfill their roles as laid out in the Water Law – ensuring an enabling environment of sector policy, planning, monitoring, and regulation. Sustainable service delivery would be strengthened through capacity development, setting the foundations of the National Water Company (NWC), and designing a new platform and process for systematic improvement of SP’s operational and financial performance.

Project Components and Key Results

Component 1: Improved Supply of Water in Gaza

To address the immediate needs for improved quality of water supply in the project area, this component would fund a system of infrastructure investments that will allow bulk water supplied from various sources (brackish ground water, desalinated water and water purchased from Israel) to be blended to acceptable standards and subsequently conveyed to a system of distribution reservoirs and then on into the retail water distribution network. Effectively creating a bulk water system capable of managing the quality and quantity of water conveyed to various parts separate from a distribution system. Blended water which complies with WHO drinking standards will then be transported through a conveyance system and a series of distribution reservoirs for subsequent distribution to the consumers equitably and sustainably. The possible details of the investment packages are as follows:

- Mekorot Improvement Works for Middle and Khan Younis Governorates Package
- Southern Carrier Package
- Water Distribution Network Reconfiguration Southern Area Package

Component 2: Capacity Building and Performance Improvements of Selected Institutions

This component is designed primarily to address the urgent needs to improve water supply quality and quantity in Gaza by providing involved institutions with the necessary capacity to ensure basic elements of sustainability of their operations and assets. The level of capacity building effort would be kept simple and limited to what can be achieved in a short time horizon of 4 years. This is one of the lessons learned from previous operations. The component would support the planning, policy, monitoring and fiduciary functions of PWA by hiring necessary consultants. In the interim, and until the NWC is established, a small unit would be established within the Project Coordination Unit to operate and maintain the bulk water assets delivered under the proposed project. This unit would eventually be the nucleus of the future NWC in Gaza. In specific, this component would possibly include:

- Provide elements of sustainability in Gaza
- Design a National Performance Improvement Platform
- Strengthening regulatory functions

Component 3: Project Management and Implementation Support

The PWA will establish a Project Coordination and Technical Assistance Unit (PCU) to support and coordinate the project implementation and reporting. The PCU would employ, and the project would fund, skilled staff for management, procurement, financial, environment, social and technical tasks with experience in WB operations and/ or the water sector. The component would finance operating costs specific to the project. Additionally, this component would support management of material entry to Gaza.



URBAN SECTOR

Urban Sector

Co-financing provided under the PID MDTF continues to be instrumental in helping pave the way for Palestinian local authorities to perform critical service delivery functions despite the persisting political, socio-economic, and financial constraints. The trust fund complements current efforts of the WB and other DPs to improve performance at different tiers of Local Government (LG) – municipalities through the MDP, Village Councils (VCs) through the (LGSIP), and cities and their peri-urban areas through the Integrated Cities and Urban Development (ICUD) Project. Dialogue between the PA agencies and DPs continues to further improve the progress on intergovernmental fiscal transfer reform. On the revenue side, the PA has decided to devolve, on a pilot basis, collection of property tax to municipalities. This is a breakthrough and can potentially result in higher LG revenues and better collection rates. Land sector interventions financed by the Bank are supporting these reform efforts. The Bank is also supporting the PA in preparing a results-based project to assist implementing the Land Sector Reform and has already launched TA to the Land and Water Settlement Commission (LWSC).

The PA is taking preparatory measures to develop a sustainable sub-national lending framework and future lending function of the Municipal Development Lending Fund (MDLF). The Bank will continue supporting MDLF to develop an appropriate lending model. This initiative will hasten the introduction of municipal credit that will help create a sustainable financing regime for LGUs. Strengthening of Joint Service Councils (JSCs) will remain a priority. Reforms in the land sector culminated in the adoption by the Cabinet of Ministers (CoM) of the revised Palestinian Land Authority Law. The law is now on the President’s desk for approval and signature.

Projects under implementation continue satisfactory progress towards achieving their PDO. Key project ratings for the current reporting period are summarized in Table 8.

Table 8: Key Project Ratings

Third Municipal Development Project (MDP-3)	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Financial Management	● Satisfactory	● Satisfactory
Project Management	● Satisfactory	● Satisfactory
Counterpart Funding	● Satisfactory	● Satisfactory
Procurement	● Satisfactory	● Satisfactory
Monitoring and Evaluation	● Satisfactory	● Satisfactory
Gaza Solid Waste Management Project	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Unsatisfactory	● Moderately Satisfactory
Financial Management	● Satisfactory	● Satisfactory
Project Management	● Moderately Satisfactory	● Moderately Satisfactory
Counterpart Funding	● Moderately Satisfactory	● Moderately Satisfactory
Procurement	● Satisfactory	● Satisfactory
Monitoring and Evaluation	● Moderately Satisfactory	● Moderately Satisfactory

Local Governance & Services Improvement Program (LGSIP)	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Technical	● Satisfactory	● Satisfactory
Fiduciary Systems	● Satisfactory	● Moderately Satisfactory
E&S Systems	● Satisfactory	● Satisfactory
Disbursement Linked Indicators (DLI)	● Satisfactory	● Satisfactory
Monitoring and Evaluation	● Satisfactory	● Satisfactory

Third Municipal Development Project (MDP-3) (P159258,TF0A6154)

Duration	Four and a half years
Grant Approval	July 21, 2017; Closing Date February 28, 2022
Grant Amount	US\$20 million
Status	Active

OBJECTIVE To enhance the institutional capacity of municipalities in the West Bank and Gaza for more accountable and sustainable service delivery.

Key Results

In its second year of implementation, the project continues to be on track to achieve its PDO. A joint Implementation Support Mission was carried out by the WB and DPs in November 2018. The mission assessed the overall progress of MDP-3 as Satisfactory in terms of both the PDO and IP.

- Additional disbursement from the PID MDTF was made in March which brings the total disbursement ratio to 30 percent out of total PID MDTF financing and 27 percent out of total project financing.
- MDLF intensified the implementation of infrastructure investment subprojects under Cycle 1.
- MDLF will align the capacity building packages with the LGU creditworthiness thrust of the project by focusing on project cycle training (e.g., pre-feasibility preparation, procurement, FM, safeguards, construction supervision and contract management, and M&E, and operation, maintenance, and sustainability of subprojects).
- Consultancy services were procured to carry out a diagnostic study of Public Private Partnership (PPP) to inform the development of key interventions under Component 3 "Municipal Partnership Projects".
- A consultant was recruited to provide support to MDLF to develop the Road Map for MDLF lending operation.
- The next Implementation Support mission is planned in June 2019.

Main issues

MDLF anticipates a total financing gap of \$27 million for all components under the project. The financing gap will be partially addressed by commitments from the European Union (EU) and Agence Française de Développement (AFD). The EU committed EUR10 million (US\$11.14 million) to support Component 1 activities in the Gaza Strip in Cycle 2. Likewise, AFD committed additional EUR4 million (US\$4.5 million) for Cycle 2. This brings down the financing gap to around US\$11.4 million to cover the remaining needs presented by MDLF.

Upcoming Priorities

- Mobilize AF to cover the remaining financing gap for the Project
- Review the Results Framework indicators, baselines and targets to start generating data on project accomplishments.

Local Governance and Services Improvement Program (LGSIP) (P148896,TFA45511)

Duration	Five years
Grant Approval	November 2, 2015; Closing Date December 31, 2020
Grant Amount	US\$13 million
Status	Active

OBJECTIVE To strengthen the local government financing system and improve local service delivery in Program villages.

Key Results

A Program MTR of LGSIP was carried out by the WB and the financing partners in September 2018 to assess the overall progress made by the Program. The Program remains relevant and its objectives align well with the priorities of the PA. The program continues to show progress in meeting its PDO and in achieving mid-term targets.

- The program has initiated predictable and timely announcement and transfer of grants to VCs. For two consecutive years, the MoFP issued a directive announcing the amounts to be allocated to VCs and completed the transfer of these grants.
- Three of seven Disbursement Linked Indicators (DLIs) were achieved. These include: enabling steps to strengthen local governance adopted by MoLG; timely communication and transfer to VCs of the formula-based annual grant allocations; and cumulative number of joint projects approved.
- 10 joint projects were approved by the LGSIP Program Committee. The verification for achieving Disbursement Linked Result (DLR) #4 on joint projects was completed and additional disbursement in the amount of US\$1.3 million from PID MDTF was made in January 2019.

Main issues

- MoLG, MoFP, and MDLF need to complete the Program requirements to achieve DLI#6 “Steps to reform the Transportation Fee allocation and utilization”. The program committee needs to confirm the approval by the Minister of Local Government of the proposed directive to improve transparency and predictability of transportation fees.
- Release of the PA contribution to the Village Support Program should be officially communicated with FPs along with the schedule for the transfer and the allocation among program components.
- The MoLG and MDLF need to continue to build up a pipeline of joint projects and ensure that the JSCs have adequate capacity to plan, implement, operate and maintain joint infrastructure.

Upcoming Priorities

- Monitor the results of the beneficiary survey to assess the extent by which beneficiaries feel that program investments reflect their needs.
- Initiate Program restructuring to finetune Results Framework indicators.

Gaza Solid Waste Management Project (GSWMP) (P121648, TF018377)

Duration	Six years
Grant Approval	October 24, 2014 Closing Date 31 November 2020
Grant Amount	US\$750,000
Status	Active

OBJECTIVE To improve solid waste management service in the Gaza Strip

Key Results

The GSWMP finances construction of a sanitary landfill in the southern region of the Gaza Strip with the capacity to serve the three southern governorates until the year 2025. This major construction effort is being implemented in phases on an overall area of 472 dunams (47.2 ha.) with immediate land area needed for the first two cells of 10 ha. The new facility will be equipped to operate at a high standard and it will be complemented by a system of solid waste transfer stations in each governorate area in addition to a comprehensive capacity building program to improve service provision at the different stages of solid waste management, including the supply of new solid waste collection vehicles to the newly expanded Joint Service Council of the Khan Younis, Rafah and the Middle Governorate (JSC-KRM) and its member municipalities, accompanied by institutional strengthening measures and training. The project also finances studies and investments in recycling and resource recovery to encourage private sector participation and citizen engagement through broad public outreach and public awareness activities.

- Excavation of around 97 percent of consolidated soil from the two planned cells has taken place, and the project progress percentage of 67 percent for the full construction work.
- A short-term cell design was completed to reshape the existing landfill, remove the obstacles of the scattered waste present in the area of the new landfill cells, and to ensure continuity of receiving daily incoming waste from Rafah Governorate until construction work of the new landfill is completed and operation starts in 2019.
- Rehabilitation works of the existing dumpsite were finished and creation of interim cells (short-term and extension cells) and the eastern side of dumpsite to receive daily incoming waste, in addition to the removal of large quantities of scattered waste.
- 600,000 CM of clay soils of the excavated material due to the construction of Al Fakhary Sanitary Landfill were transferred to a governmental vacant land outside the landfill site boundary due to the scarcity of land area within the landfill site.
- 37,680 temporary jobs were created as part of the construction activities and 114,245 are direct beneficiaries from the GSWMP, of which 66 percent are female.
- The sustainable livelihood program that supported 16 waste pickers has been completed. The program was sponsored by the Islamic Development Bank (IDB) and implemented by the UNDP-DEEP through the local partner Palestinian Agricultural Relief Committees (PARC).
- Design of Rafah transfer station and Sofa access road were finished and the two projects are currently under implementation.
- Solid Waste Steel Containers with a capacity of 1, 4 and 40 CMs were supplied for Transfer Stations and Routing System and it resulted in the commissioning of five collection routes.
- Contractual and institutional arrangements for all JSC-KRM operations were identified.
- Through 2018, there has been a 4.6 percent increase in fees collected semi-annually by the member municipalities towards cost recovery.

Main Issues

The main persistent issues include ensuring the availability of materials and goods on time owing to the restrictions imposed on material entry into Gaza, particularly heavy landfill equipment. Financing partners and the MDLF are working closely to coordinate and facilitate the delivery of goods. However, delay of goods and material for landfill equipment still remains the main risk to the project's implementation progress given the current political and economic climate. Low levels of cost recovery of service providers, i.e., the LGUs and JSC, constitute another major challenge that the project is addressing through the institutional strengthening activities financed under Component 2.

Upcoming Priorities

Considering the limited financing resources, the project will focus on finalizing JSC's infrastructure facilities that include the construction of Sofa landfill, the Sofa access road and Rafah transfer station, provision of landfill and transfer station equipment, and initial preparation of facilities for operation for transfer and disposal services. Other main priorities in the coming months include (i) the closure of both the Sofa and Deir el Balah dumpsites; (ii) supporting the JSC in planning for investments and activities to facilitate primary collection, cleaning activities (closure of random dumpsites), and recycling-resource recovery; and (iii) implementation of a substantial communication and awareness program covering Grievance Redress Mechanisms (GRMs) and building the capacity of the JSC to fulfill its outreach mandate. The PID MDTF allocation will be used for the closure of the Sofa and Deir el Balah dumpsites.



ENERGY SECTOR

Energy Sector

The energy sector remains at the focus of interventions supported under the PID MDTF. Despite a recent respite to the severe electricity crisis in Gaza, which was brought about by the import of Qatari financed fuel to operate the Gaza Power Plant (GPP), the sector remains under severe stress with insufficient power supply to meet the growing demand. Although significant achievements have been made to enhance the financial performance of Electricity Distribution Companies (DISCOs) in the West Bank, institutional reforms and infrastructure investments will need to continue towards reaching energy security for the WB&G.

With support from the PID MDTF, the Palestinian energy sector continues implementing critical institutional reform measures. So far, ESPIP has supported the Palestinian Electricity Transmission Company Ltd. (PETL) to play a key role in the ongoing restructuring of the sector. Since its effectiveness, ESPIP is focusing on improving the efficiency and service quality of the electricity distribution system and on the financial sustainability of the sector. ESPIP is supporting PENRA in its efforts to roll-out Revenue Protection Programs (RPPs) for the DISCOs and establishing the Gaza Rooftop Solar Revolving Fund. In addition, consultancy services provided under the Energy Sector Programmatic TA have supported preparation and implementation of key activities financed under ESPIP, including but not limited to TA and preparation of technical specifications for the bidding process to support RPPs and developing Management Information Systems (MIS) under component 2. The TA also played a critical role in advancing the roll-out of the Gaza rooftop solar initiative for households, SMEs and health facilities which has been formally launched in December 2018.

The Power Purchase Agreement (PPA) between IEC and PETL continues to be negotiated and several new issues, such as the requirement for a operating framework agreement between PETL and COGAT, have emerged, which are expected to cause further delays. PETL continues to prepare for the impending transfer of connection points as soon as the PPA is signed. In 2018, PETL's revenue collection was nearly 100% and the collection across the sector showed strong growth achieving 80-85% rates across DISCOs and LGUs. However, revenue collection is expected to reduce in the first quarter of 2019 due to the reduction in government salaries, which has resulted in many DISCOs requiring only partial payment of bills, with the balance to be paid when back-pays are received. As IEC is able to recover unpaid electricity bill through the net-lending mechanism, the full impact of the current situation will only become evident once transfers resume and needs to be closely monitored for its impact on sector sustainability.

The project under implementation continues satisfactory progress towards achieving the PDO. Key project ratings for the current reporting period are summarized in Table 9.

Table 9: Energy Sector - Key Project Ratings

West Bank and Gaza Electricity Sector Performance Improvement Project	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Financial Management	● Satisfactory	● Satisfactory
Project Management	● Satisfactory	● Satisfactory
Counterpart Funding	● Satisfactory	● Satisfactory
Procurement	● Moderately Satisfactory	● Moderately Satisfactory
Monitoring and Evaluation	● Satisfactory	● Satisfactory

ELECTRICITY SECTOR PERFORMANCE IMPROVEMENT PROJECT (ESPIP)–(P148600, TF0A5078) & ESPIP - Additional Finance (P167914, TF0A9136)

Duration	Parent & AF– Six Years
Grant Approval	Parent – July 27,2017, AF – 14 January 2019 Closing Date December 20,2023
Grant Amount	Parent US\$11 million, AF: US\$12 million
Status	Active

OBJECTIVE to improve operational performance of electricity sector institutions and pilot a new business model for solar energy in Gaza.

Overview

In the last two decades, the electricity sector reform process has improved and consolidated the energy sector from a fragmented municipal-based system to a more efficient single-buyer model in the WB&G. As implementation of the reforms progresses, further efforts are required to strengthen power sector institutions; and improve revenue management, to address power supply constraints, by a creditworthy and sustainable electricity sector in Palestine. To address these issues, the ESPIP was designed and became effective on January 16, 2018. AF in the amount of US\$12 million was approved by the Board in January 2019.

Key Results

- PENRA reports 100 percent collection rate of the bills issued for electricity provided by PETL to the Northern Electricity Distribution Company (NEDCO) and Tubas Electricity Distribution Company (TEDCO) in 2017-18 from Jenin substation, which was energized following the signing of the interim PPA.
- Each of the six DISCOs across WB&G completed a detailed review of their customer database to identify 16,000 high-value customers to be covered under (RPP).
- All six DISCOs completed the Information Systems (IT systems) review and gap analysis to identify priority needs for development of a comprehensive (MIS).
- The Gaza rooftop solar initiative was formally launched in October 2018 with signing of the PENRA-Gaza Electricity Distribution Company (GEDCO) agreement. The technical review for the solar rooftop PV kits for households and SMEs was completed and the procurement process for the first phase will commence in March 2019. GEDCO and Bank of Palestine conducted a first round of workshops for women business owners, other rounds for SMEs will follow.

Upcoming Priorities

Implementation of ESPIP and the newly approved AF has commenced in full swing. The priority is to ensure the pace of implementation is maintained with finalization of the MIS procurement and implementation plan, which will support all six DISCOs across the WB&G. Designs of the solar rooftop system for Nasser hospital in Khan Younis governorate of the Gaza Strip and for five health clinics will be finalized, with implementation to commence within 2019.

As follow up to ESPIP, a new MAP is currently under discussion with preparation to be launched formally in the next 2 months. The upcoming program would support installation of the remaining connection points; completing the next phase of RPP implementation in WB&G DISCOs; supporting expansion of the solar PV roof-top across WB&G; and increasing the rehabilitation and construction of priority transmission and distribution infrastructure. This is important to reduce losses, improve quality of supply, to enable increased penetration of renewable energy and to allow for expanded supply from Jordan into the West Bank and from Israel and Egypt into Gaza. This would be complemented with TA and institutional capacity development support for sector institutions (PENRA, PETL, PERC, PECC, DISCOs).

BANK-EXECUTED TECHNICAL ASSISTANCE



Bank-executed Technical Assistance (TA)

There are currently three active Bank-executed activities under this window: (i) LG Sector Reform Support Advisory Support and Analytics (ASA); (ii) Provided support to the Palestinian Land Sector; and (iii) WB&G Energy Sector Programmatic TA. Details are in the following section.

Palestinian Local Government Sector Reform Support ASA (P161279, TF0A3599)

Duration	Four years
Grant Approval	October 12, 2016
Grant Amount	US\$700,000
Status	Active
OBJECTIVE	To carry out a set of analytical work and advisory services and provide implementation support to strengthen the capacity of the MoLG and other government agencies with core mandates in the LG sector, to refine and implement LG sector reforms.

Background

The Local Government Sector Strategy (2017-2022) sets out a comprehensive set of policies towards achieving the PA vision for the sector, “good local governance which is capable of achieving sustainable development with active community participation”. These include: (i) setting up a conducive legislative and regulatory framework; (ii) improving LG performance; (iii) enabling LGs to be financially stable and sustainable; (iv) promoting Local Economic Development (LED); and (v) broadening citizen participation in LG decision making and program implementation.

This ASA provides advisory services and analytical support in the core reform areas that relate to the sector policies. It aims to provide the PA with implementation support to target and consolidate critically needed reform efforts where quick wins as well as long-term results could be rationalized in a programmatic manner.

Key Results

Dialogue between the PA agencies and DPs continues to further improve the progress on intergovernmental fiscal transfer reform. The PA has decided to pilot the collection of real property tax to municipalities, which can potentially result in better collection rates.

The PA has also adopted a roadmap for reforming the land administration in WB&G. The land administration program will contribute to the reform in property administration as efficient land registration will help improve land valuation and taxation.

The PA is taking preparatory measures to initiate the lending function of MDLF. Further analytical work is being pursued by MDLF to help them develop its lending model. This initiative will hasten the introduction of municipal credit that will help create a sustainable financing regime for LGUs.

Under the TA, the WB continues to dialogue with the relevant PA agencies, the municipalities (through the Association of Palestinian Authorities or APLA) on how the functions and resources can be allocated for efficient local service delivery. Priority actions for improving LGU sustainability and service delivery have been identified. Short analytical pieces are under preparation and wider consultations on key recommendations are planned. Specific TA support is also being provided complimenting efforts to improve the planning processes. The concept of “smart cities” will be introduced in the urban planning processes with a mission that will scope out potential LGUs that will benefit from this planning approach. In addition, resilient planning is also being supported and work with national institutions and LGUs will be initiated on how the municipal plans and programs integrate disaster risk management and climate change

Upcoming priorities

As the MDLF and MoLG develop the lending program for LGUs, the Bank will continue to provide advice and technical input to the MDLF Lending Roadmap. The Bank will assess how to institutionalize aspects of the Local Government Performance Assessment, particularly with regard to benchmarking and MoLG carrying out the assessment, as a regular operational oversight and monitoring of LGU performance.

Support to the Palestinian Land Sector (P163872; TF0A4947)

Duration	21 months
Grant Approval	May 01, 2017
Grant Amount	US\$700,000
Status	Active
OBJECTIVE	i) Assess and quantify the economic, fiscal and social impact of a weak land administration system and of restrictions on access to land in the Palestinian territories; and (ii) assist the Palestinian Authority to refine and implement key policy, regulatory, and legal aspects of the Government <i>Road Map for Reforming the Palestinian Land Sector (Road Map)</i> .

Background

In 2017, the Prime Minister's Office (PMO) completed the draft Road Map to demonstrate the seriousness of the PA to implement short and long-term sector reforms. The Road Map was approved by the Cabinet in September 2017. It outlines a comprehensive, multiphase, multi-stakeholder approach to reforming the land sector, including the specific policy, legal and institutional reforms. This ASA is composed of two correlated tasks: (i) a study on the potential economic, fiscal, and social benefits from reforming the land sector; and (ii) TA support to the PA in implementation of key elements of the Road Map. These tasks are considered a precondition for reengagement by the WB and DPs in the Palestinian land sector.

Key Results

Task 1: Dissemination Workshop on Palestinian Land Sector Report. The WB team presented the main findings of the completed study on "The Socio-Economic Effects of Weak Land Registration and Land Administration System in the West Bank," which was carried out from June 2017 to June 2018. A workshop was held on December 17, 2018 with the Chair of the Palestine Land Authority (PLA) and LWSC and technical staff, representatives from the PMO and MoFP, and DPs. A discussion took place regarding the study's findings and recommendations, focusing on key actions needed to accelerate and complete the process to systematically register all land in the Palestinian territories, as well as strengthen the overall land administration system to make it more efficient and accessible.

Task 2: Support continues to be provided to the PA to implement the reforms of the Road Map through a series of TA:

- LWSC: A draft detailed assessment of the registration process, and what can be done to streamline it, accelerate it and reduce its cost has been completed.
- LWSC: TA has been launched with the LWSC to map existing processes, streamline business processes, workflows, and data flow related to first registration, as well as to prepare a conceptual design of a system for their automation.
- PLA: Through the ASA the WB provided technical support, guidance, and input to the PLA, PMO, and the PLA legal team on the amendment of the PLA Laws of 2002 and 2010. The legal amendment consolidated the laws, included provision of a Board of Directors for the PLA, and increased oversight on state property management. The institutional change, which aims to increase transparency at the PLA, was approved by the Cabinet in October 2018 and now awaits the President's signature.

Upcoming Priorities

- The WB will publish and disseminate findings of the study "The Socio-Economic Effects of Weak Land Registration and Land Administration System in the West Bank".
- Property Taxation. The WB will initiate support under the ASA to Pillar IV of the Road Map (property taxation reform) by undertaking an assessment of all taxes on properties (annual property tax, fees on transfer, mortgage and inheritance). The assessment will compare these taxes with select neighboring countries and select OECD countries. Options for revising the tax structure will be presented based on international comparisons and global best experiences.

West Bank & Gaza Energy Sector Programmatic TA (P162545, TF0A4202)

Duration	Three years
Grant Approval	2017
Grant Amount	US\$1 million
Status	Active

OBJECTIVE To enhance energy sector institutional capacity and efficiency, and piloting models for renewable energy.

Background

The Programmatic TA provides technical support to PENRA for a duration of three years and is used in conjunction with existing projects and studies in order to strengthen project component design and implementation of activities.

Key Results

The consultancy services have supported the ESPIP project, and the additional finance, in technical assessment and preparation of technical specifications for the bidding process to support the RPPs, including the development of MIS (component 2) and the solar rooftop initiative for households, SMEs and health facilities (component 3).

Upcoming Priorities

The Programmatic TA will continue to support finalization of the ESPIP components. The programmatic TA continues to support PENRA in developing a white paper on financial flows in the sector, including the development of a detailed financial model for the sector. The paper is under finalization by a committee comprising of PENRA, PETL, PERC, MoLG and MoFP. The TA will now also begin supporting initial design of the next energy sector project.

PID MDTF Program and TF Management Fund

This window finances a portion of the management and administration costs associated with implementing the PID-MDTF by the Practice and Country Management Units. Up to three percent is allocated to this window from the Trustee Fund. The Bank has maintained a lean TF management team, focusing on supporting implementing task teams and maximizing financing available under the Recipient-executed window. During the current reporting period (September 1, 2018 – February 28, 2019) a total of US\$94,147 was disbursed for staff and consulting costs.

DFID joined the PID MDTF in December 2018. Total new contributions by DFID, Sweden and Norway sum up to US\$41.68 million equivalent. These new pledges were made under the parallel TF072778, of which the End-of-Disbursement date was extended through 2027. The extension was necessary to accommodate additional contributions from DPs, while allowing for a reasonable implementation time frame.

Discussions are ongoing with other partners such as the EC and the Australian Representative Office who have expressed interest in principle to join the PID MDTF.

Project Supervision

To date, no supervision costs have been financed through the PID-MDTF. Project supervision has been covered exclusively by WB implementation support budget. However, given the growing number of operations and increasing complexity in more programmatic engagements, allocations to this window will be considered in the upcoming period.

ANNEX 1: PID MDTF Results Matrix

Results Matrix - Active Projects				
Results Indicators	Unit of Measure	Baseline	Current	End Target
Enhance the institutional capacity of Local Government Units and strengthen the local government financing system for more accountable and sustainable service delivery.				
Improving Local Service Delivery				
People provided with improved living conditions and access to improved services. (50percent of which female beneficiaries.) (2016-2022). ³	Number	0	369,778	850,000
People benefitting from improved sanitation disposal services in Gaza (Khan Younis, Rafah, and Middle Gaza).	Number	0	474,000	948,000
Enhancing Performance of Local Government Sector Institutions				
Number of municipalities with operational and enterprise surplus and no increase in arrears. (2018-2022).	Number	0	0	100
Number of municipalities with operational and enterprise surplus and no increase in arrears. (2018-2022)	Number	40	40	80
Percentage of VCs receiving transparent and predictable Annual Capital Grants.	Percentage	0	53	70
Strengthening Good Governance in the Local Government Sector				
Municipalities with public disclosure of executed budget and executed SDIP. (2018-2022)	Number	0	0	100
Beneficiaries that feel Program investments reflected their needs.	Percentage	0	0	75
Percentage of beneficiaries satisfied with municipal sub projects executed under MDP-3.	Percentage	0	0	80
Percentage of VCs submitting their annual budget to MoLG electronically on time and have disclosed budgets publicly.	Percentage	1	53	60
Number of municipalities with functional complaint system. (2018-2022)	Number	22	22	100

³ MDP 500,000 + LGSIP 350,000

Enhance institutional capacity of the energy sector, improve efficiency of the distribution system in targeted areas, and pilot a new business model for solar energy service delivery in Gaza.

Improving Electricity Services

People provided with new or improved electricity service (30percent of which female)	Number	0	0	9,300
Installed solar PV systems in female-headed households and SMEs	Number	0	0	100

Enhancing Performance of Energy Sector Institutions

PETL collection rate from DISCOs.	Percentage	0	0	90
Electricity losses per year in the project area.	Percentage	23	23	19
Number of management information systems in operation	Number	0	0	6

Strengthening Good Governance in the Energy Sector

Grievances registered related to delivery of project benefits responded to.	Percentage	0	0	100
PERC's audits of ERPs of two DISCOs	Yes/No	No	No	Yes

Improving access to, and operational performance of water supply services in select areas. (2019-) – under development

Improving Water and Sanitation Services

People (of which 50percent female) provided with access to improved water supply through piped water connections.	Number	TBD	TBD	TBD
Volume (m3) of treated wastewater that is available for reuse.	M3	WASH (140,000)	TBD	155,000
Achieving and maintaining water disinfection efficiency in Gaza at 99percent.	Percentage	99 percent	TBD	99 percent

Enhancing Performance of Water Sector Institutions

Reduction of non-revenue water by Xpercent (System volume input – volume billed/ system volume input 100percent).	Percentage	WASH	TBD	TBD
---	------------	------	-----	-----

Interactive benchmarking system established and operational.	Number	3	TBD	8
Establishment of X number of independent water utilities.	Number	2	TBD	6
Revenues exceeds operation expenditure by Xpercent	Percentage	TBD	TBD	TBD
Strengthening Good Governance in the Water Sector				
Institutionalization of sustainable accountability mechanisms at the local and national levels (e.g: compliant system (CS), citizen engagement and communication (CE), gender (G), etc.).	Text	Not available	TBD	CS, CE, G

ANNEX 2: Parallel Trust Fund Break-down

TF071898

MAR-19		PLEGGED TO DATE - TF071898					
CONTRIBUTORS	CURRENCY	PLEGGED		PAID-IN TO DATE		RECEIVABLES	
		Pledge Currency	US\$	Paid-in Currency	US\$	Pledge Currency	US\$
Croatia	US\$	200,000	\$200,000	200,000	\$200,000	-	-
Sweden	SEK	310,000,000	\$40,272,159	310,000,000	\$40,272,159	-	-
Denmark	DKK	220,000,000	\$37,926,345	220,000,000	\$37,926,345	-	-
Finland	Euro	8,650,000	\$10,600,229	8,650,000	\$10,600,229	-	-
France	Euro	3,500,000	\$4,390,050	3,500,000	\$4,390,050	-	-
Netherlands	US\$	4,000,000	\$4,000,000	4,000,000	\$4,000,000	-	-
Norway	NOK	73,000,000	\$9,772,213	73,000,000	\$9,772,213	-	\$0
Portugal	Euro	150,000	\$182,835	150,000	\$182,835	-	-
US\$ TOTALS		N/A	\$107,343,830	N/A	\$107,343,830	N/A	\$0

TF072778

MAR-19		PLEGGED TO DATE - TF072778					
CONTRIBUTORS	CURRENCY	PLEGGED		PAID-IN TO DATE		RECEIVABLES	
		Pledge Currency	US\$	Paid-in Currency	US\$	Pledge Currency	US\$
Croatia	USD	-	-	-	-	-	-
Sweden	SEK	123,000,000	\$13,903,535	123,000,000	\$13,903,535	-	-
Denmark	DKK	140,000,000	\$21,887,860	120,000,000	\$18,835,893	20,000,000	\$3,051,967
Finland	Euro	2,300,000	\$2,446,510	2,300,000	\$2,446,510	-	-
France	Euro	-	-	-	\$0	-	-
Netherlands	US\$	-	-	-	\$0	-	-
Norway	NOK	147,017,000	\$17,362,084	144,539,264	\$17,068,708	2,477,736	\$293,376
Portugal	Euro	-	-	-	-	-	-
United Kingdom	GBP	18,000,000	\$23,477,564	2,800,000	\$3,514,644	15,200,000	\$19,962,920
US\$ TOTALS			\$79,077,553		\$55,769,289		\$23,308,263

ANNEX 3: Unaudited Trust Fund Financial Reports: TF071898, TF072778

WORLD BANK GROUP

Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (WORLD BANK REFERENCE 71898) - Multi Donor Fund

UNAUDITED TRUST FUNDS FINANCIAL REPORT

Expressed in United States Dollars

	07/01/2018 to 02/28/2019	06/04/2012 (date of inception) to 02/28/2019
Receipts (Note 1)		
Cash Contributions	0.00	107,343,830.46
Investment Income (Note 2)	666,075.03	2,474,305.08
Transfers within Hierarchy	0.00	289,115.84
Contributions via Transfers	0.00	(289,115.84)
Total Receipts	666,075.03	109,818,135.54
Disbursements (Note 1)		
Project Disbursements		
Disbursements to Grantee	(2,113,128.41)	(69,810,811.77)
Direct costs Disbursed by WBG		
Staff costs (including benefits)	(266,697.35)	(920,176.66)
Consultant fees	(101,944.27)	(409,042.47)
Travel expenses	(35,305.76)	(167,857.29)
Media workshop	(1,983.72)	(12,108.59)
Other direct costs	(505.79)	(505.79)
Total Direct Costs Disbursed by WBG	(406,436.89)	(1,509,690.80)
Total Project Disbursements	(2,519,565.30)	(71,320,502.57)
Non-Project Disbursements		
Administrative fees and expenses (Note 4)	(108,584.40)	(2,610,896.92)
Total Non-Project Disbursements	(108,584.40)	(2,610,896.92)
Total Disbursements	(2,628,149.70)	(73,931,399.49)
Excess of receipts over disbursements / (disbursements over receipts)	(1,962,074.67)	35,886,736.05
Fund Balance		
Beginning of period	37,848,810.72	0.00
End of period	35,886,736.05	35,886,736.05
Fund balance consists of		
Share in pooled cash and investments		35,886,736.05
Undisbursed Commitments as of 03/26/2019 (Note 5)		30,215,110.82

WORLD BANK GROUP

Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (WORLD BANK REFERENCE 71898) - Multi Donor Fund

UNAUDITED TRUST FUNDS FINANCIAL REPORT

Status	Beneficiary	VPU/Div	TF Hierarchy	TTL Name
Active	WEST BANK& GAZA	MNCA4	Trustee Account	Mr Bjorn Philipp

Contribution details by Donor

Donor	Currency	07/01/2018 to 02/28/2019	06/04/2012 (date of inception) to 02/28/2019
CROATIA MINISTRY OF FOREIGN AND EUROPEAN AFFAIRS	USD	0.00	200,000.00
DANISH MINISTRY OF FOREIGN AFFAIRS (DANIDA)	DKK	0.00	220,000,000.00
FINLAND - MINISTRY FOR FOREIGN AFFAIRS	EUR	0.00	8,650,000.00
FRANCE - AGENCE FRANCAISE DE DEVELOPPEMENT	EUR	0.00	3,500,000.00
NETHERLANDS-MINISTER OF FOREIGN AFFAIRS	USD	0.00	4,000,000.00
NORWAY - MINISTRY OF FOREIGN AFFAIRS	NOK	0.00	73,000,000.00
PORTUGAL - MINISTRY OF FOREIGN AFFAIRS	EUR	0.00	150,000.00
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (SIDA)	SEK	0.00	310,000,000.00

Contribution paid-in details by Donor

Donor	Currency	07/01/2018 to 02/28/2019	06/04/2012 (date of inception) to 02/28/2019	06/04/2012 (date of inception) to 02/28/2019 In USD Equivalent
CROATIA MINISTRY OF FOREIGN AND EUROPEAN AFFAIRS	USD	0.00	200,000.00	200,000.00
DANISH MINISTRY OF FOREIGN AFFAIRS (DANIDA)	DKK	0.00	220,000,000.00	37,926,344.64
FINLAND - MINISTRY FOR FOREIGN AFFAIRS	EUR	0.00	8,650,000.00	10,600,228.95
FRANCE - AGENCE FRANCAISE DE DEVELOPPEMENT	EUR	0.00	3,500,000.00	4,390,050.00
NETHERLANDS-MINISTER OF FOREIGN AFFAIRS	USD	0.00	4,000,000.00	4,000,000.00
NORWAY - MINISTRY OF FOREIGN AFFAIRS	NOK	0.00	73,000,000.00	9,772,212.86
PORTUGAL - MINISTRY OF FOREIGN AFFAIRS	USD	0.00	182,835.00	182,835.00
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (SIDA)	SEK	0.00	310,000,000.00	40,272,159.01

WORLD BANK GROUP

Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (WORLD BANK REFERENCE 71898) - Multi Donor Fund

UNAUDITED TRUST FUNDS FINANCIAL REPORT

Disbursement details by Grant

Grant	Grant Name	Executed By	Currency	Grant Amount	07/01/2018 to 02/28/2019	06/04/2012 (date of inception) to 02/28/2019
TF014530	PID MDTF Program and TF Management Fund	Bank	USD	700,000.00	108,584.40	464,020.31
TF015756	Water Sector Capacity Building co-financing fund	Recipient	USD	2,852,451.80	0.00	2,852,451.80
TF016476	Second Municipal Development project	Recipient	USD	25,800,000.00	0.00	25,799,059.71
TF016501	Third Additional Financing for the North Gaza Emergency Sewage Treatment Project	Recipient	USD	5,000,000.00	0.00	5,000,000.00
TF017186	Gaza Sustainable Water Supply Program : Additional Works	Recipient	USD	2,500,000.00	0.00	2,500,000.00
TF017221	NGEST Solar Power Feasibility Study	Bank	USD	149,832.36	0.00	149,832.36
TF018268	Gaza Emergency Water Supply and Sewage Systems Improvement Project Additional Financing	Recipient	USD	11,858,600.00	0.00	8,255,237.15
TF018376	Southern West Bank Solid Waste Management Project	Recipient	USD	1,500,000.00	0.00	1,500,000.00
TF018378	GZ Emergency Response AF MDP-2	Recipient	USD	12,000,000.00	4,094.09	11,999,000.59
TF019350	Water Sector Capacity Building Fund	Recipient	USD	0.00	0.00	0.00
TF0A1061	Second Municipal Development Project - Additional Financing	Recipient	USD	6,900,000.00	0.00	6,899,292.76
TF0A2807	Project Preparation Grant for ESPIP	Recipient	USD	2,500,000.00	25,700.99	1,944,936.43
TF0A3599	Local Government Sector Reform ASA	Bank	USD	700,000.00	109,257.62	514,955.01
TF0A4202	West Bank & Gaza Energy Sector Programmatic Technical Assistance	Bank	USD	1,000,000.00	241,276.23	786,291.00
TF0A4511	Local Governance and	Recipient	USD	13,000,000.00	1,333,333.33	2,310,833.33

WORLD BANK GROUP

Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (WORLD BANK REFERENCE 71898) - Multi Donor Fund

UNAUDITED TRUST FUNDS FINANCIAL REPORT

Disbursement details by Grant

Grant	Grant Name	Executed By	Currency	Grant Amount	07/01/2018 to 02/28/2019	06/04/2012 (date of inception) to 02/28/2019
	Services Improvement Program (LGSIP)					
TF0A5078	West Bank Gaza Elec. Sector Performance Improvement-ESPIP-P148600-PID MDTF	Recipient	USD	7,000,000.00	750,000.00	750,000.00
TF0A7564	Water Security Technical Assistance	Bank	USD	900,000.00	55,903.04	58,612.43

Notes:

1. This statement is prepared on the modified cash basis of accounting
2. Investment income is not credited to any trust fund where the daily fund balance is less than equivalent \$5,000.
3. Other costs (where applicable) represent all disbursements incurred prior to July 2000.
4. Administrative fees are generally collected from the trust fund in the same month in which contributions are received, however for administrative purposes, collection of fees may occur in the month following receipt of the contribution.
5. Amounts committed relate to the amounts yet to be disbursed for active and pending recipient executed grant agreements and the undisbursed balance of bank executed trust funds.
6. Investment income of this trust fund is credited to TF071898 (Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund) in accordance with administration agreement(s) and hence forms part of the fund balance of this trust fund.
7. Where applicable, amounts displayed against "staff costs (including benefits)" and "consultant fees" include charges to cover the cost of benefits and general communication, facilities and IT costs unless otherwise specified in the Administration Agreement for the Trust Fund.

WORLD BANK GROUP

Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (WORLD BANK REFERENCE 72778) - Multi Donor Fund

UNAUDITED TRUST FUNDS FINANCIAL REPORT

Expressed in United States Dollars

	07/01/2018 to 02/28/2019	12/09/2016 (date of inception) to 02/28/2019
Receipts (Note 1)		
Cash Contributions	29,338,600.59	55,769,289.35
Investment Income (Note 2)	552,679.42	876,636.89
Total Receipts	29,891,280.01	56,645,926.24
Disbursements (Note 1)		
Project Disbursements		
Disbursements to Grantee	(5,895,555.49)	(5,895,555.49)
Direct costs Disbursed by WBG		
Staff costs (including benefits)	(121,396.27)	(311,231.07)
Consultant fees	(36,676.95)	(138,398.58)
Travel expenses	(39,047.65)	(84,515.16)
Media workshop	(687.84)	(1,202.98)
Other direct costs	(1,380.54)	(1,386.38)
Total Direct Costs Disbursed by WBG	(199,189.25)	(536,734.17)
Total Project Disbursements	(6,094,744.74)	(6,432,289.66)
Non-Project Disbursements		
Administrative fees and expenses (Note 4)	0.00	(1,000,000.00)
Total Non-Project Disbursements	0.00	(1,000,000.00)
Total Disbursements	(6,094,744.74)	(7,432,289.66)
Excess of receipts over disbursements / (disbursements over receipts)	23,796,535.27	49,213,636.58
Fund Balance		
Beginning of period	25,417,101.30	0.00
End of period	49,213,636.59	49,213,636.59
Fund balance consists of		
Share in pooled cash and investments		49,213,636.59
Undisbursed Commitments as of 03/26/2019 (Note 5)		14,265,987.08

WORLD BANK GROUP

Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (WORLD BANK REFERENCE 72778) - Multi Donor Fund

UNAUDITED TRUST FUNDS FINANCIAL REPORT

Status	Beneficiary	VPU/Div	TF Hierarchy	TTL Name
Active	WEST BANK& GAZA	MNCA4	Trustee Account	Mr Bjorn Philipp

Contribution details by Donor

Donor	Currency	07/01/2018 to 02/28/2019	12/09/2016 (date of inception) to 02/28/2019
DANISH MINISTRY OF FOREIGN AFFAIRS (DANIDA)	DKK	0.00	140,000,000.00
FINLAND - MINISTRY FOR FOREIGN AFFAIRS	EUR	0.00	2,300,000.00
NORWAY - MINISTRY OF FOREIGN AFFAIRS	NOK	73,017,000.00	147,017,000.00
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (SIDA)	SEK	90,000,000.00	123,000,000.00
UNITED KINGDOM - DFID	GBP	18,000,000.00	18,000,000.00

Contribution paid-in details by Donor

Donor	Currency	07/01/2018 to 02/28/2019	12/09/2016 (date of inception) to 02/28/2019	12/09/2016 (date of inception) to 02/28/2019 In USD Equivalent
DANISH MINISTRY OF FOREIGN AFFAIRS (DANIDA)	DKK	50,000,000.00	120,000,000.00	18,835,892.98
FINLAND - MINISTRY FOR FOREIGN AFFAIRS	EUR	0.00	2,300,000.00	2,446,510.00
NORWAY - MINISTRY OF FOREIGN AFFAIRS	NOK	71,976,264.00	144,539,264.00	17,068,707.77
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (SIDA)	SEK	90,000,000.00	123,000,000.00	13,903,534.60
UNITED KINGDOM - DFID	GBP	2,800,000.00	2,800,000.00	3,514,644.00

Disbursement details by Grant

Grant	Grant Name	Executed By	Curren y	Grant Amount	07/01/2018 to 02/28/2019	12/09/2016 (date of inception) to 02/28/2019
TF0A4947	Support to the Palestinian Land Sector	Bank	USD	700,000.00	199,189.25	536,734.17
TF0A6154	Municipal Development Project III - PID MDTF	Recipient	USD	20,000,000.00	5,895,555.49	5,895,555.49

WORLD BANK GROUP

Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund (WORLD BANK REFERENCE 72778) - Multi Donor Fund

UNAUDITED TRUST FUNDS FINANCIAL REPORT

Notes:

1. This statement is prepared on the modified cash basis of accounting
2. Investment income is not credited to any trust fund where the daily fund balance is less than equivalent \$5,000.
3. Other costs (where applicable) represent all disbursements incurred prior to July 2000.
4. Administrative fees are generally collected from the trust fund when commitment is made to recipient.
5. Amounts committed relate to the amounts yet to be disbursed for active and pending recipient executed grant agreements and the undisbursed balance of bank executed trust funds.
6. Investment income of this trust fund is credited to TF072778 (Partnership for Infrastructure Development in the West Bank and Gaza Multi Donor Trust Fund) in accordance with administration agreement(s) and hence forms part of the fund balance of this trust fund.
7. Where applicable, amounts displayed against "staff costs (including benefits)" and "consultant fees" include charges to cover the cost of benefits and general communication, facilities and IT costs unless otherwise specified in the Administration Agreement for the Trust Fund.