

# West Bank and Gaza

## Aid Management System (AIM) Review

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## Table of contents

Summary	3
Chapter I: Aid Management Information Review	4
I. Introduction	4
II. Findings of the Review	6
III. Recommendations on Way Forward	11
Chapter II. Concept Note of proposed PALAIM System	16
I. Objectives, Expected Outputs, and Activities	16
II. Implementation Modality and Next Steps	22

### ANNEXES

Annex 1:	List of People Interviewed
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## Summary

This report contains two chapters: (i) A review of Aid Information Management (AIM) Systems in West Bank and Gaza; and (ii) A proposed Concept Note for a new national AIM system. The objective of the first chapter was to assess the background, operations and status of recent and current AIM Systems, and provide recommendations on how to move forward towards improving AIM for all concerned actors. The review included an initial phase of Desk Review; a technical review of the design, functionality and current operational status of the former national AIM system: The Development Assistance and Reform Platform (DARP); and an in-country mission that carried out a series of consultations with a wide array of Palestinian institutional authorities, donor representatives and implementing agencies, regarding both the DARP and other existing Aid-related information systems.

Based on the findings of the review presented in chapter I, a *Conceptual Design Workshop* was carried out with participation of representatives from all key users/clients of a potential Palestinian AIM System. The Workshop recommended and concluded that a Palestinian AIM System was necessary and that it should be a newly designed system, based on the identified needs and requirements of all potential users/clients, and incorporating both the positive and negative lessons learned of the DARP experience (and of its international counterparts), as well as building on/connecting to, existing sectorial/geographically-focused aid tracking systems. Additionally, participants endorsed the concept of an AIM System designed, implemented and operated by Components, specifically identifying an Aid Flow Tracking component, a Project and Activity (4Ws: Who, What, Where, When) component, and a set of strategic analysis and M&E tools to support Planning, Coordination, Monitoring and Evaluation.

The second chapter of this report provides the Concept Note (CN) for the proposed AIM system based on the consultations that took place during the workshop and virtually. The CN proposes a Palestinian Aid Information Management (PaAIM) System, with the following Objectives and Proposed Activities per Expected Output:

- The *overall objective* of the proposed **PaAIM System Project** is to support the effective design and assure the sustainable roll-out and operation of a national aid information management system
- *Activities for Output 1: Nationally-run Aid Flows Tracking System set up and fully operational*
- *Activities for Output 2: Nationally-run Project and Activity (4Ws) Tracking and Mapping System set up and fully operational*
- *Activities for Output 3: Nationally-run PaAIM Analysis, Planning and Coordination Support Toolkit set up and fully operational.*
- *Activities for Output 4: Enhanced capacities of Palestinian Authorities, as well as key users/clients of the system, to implement and assure sustainable operation of an integrated PaAIM system*

The CN is to be used to reach PA and donor agreement to the concept at which point detailed costings of the system requirements will be prepared, PA and donor financing sought, and administrative arrangements for its operation initiated.

## Chapter I: Aid Information Management Review

### I. Introduction

Donor aid continues to be an essential contributor to the Palestinian economy and to support the Palestinian Government in implementing its National Policy Agenda and priorities for development. According to the Ministry of Finance and Planning (MoFP) monthly fiscal reports, aid received by the Palestinian Authority (PA) in 2018 amounted to USD 676 million (USD 516 million in budget support and USD 160 million for development financing), which was only a third of the budget support alone, received in 2008.

Despite the importance of foreign assistance in the Palestinian context, data and information on Aid Flows continue to be collected and analyzed through dispersed and inconsistent avenues, channels and systems – when collected at all. Comprehensive and reliable data on development finance is not available in time for the Government to plan, prioritize or monitor donor support to its development priorities and there are differences in numbers between systems. The reasons for such difference in numbers vary and range from issues of different definitions of “aid”, inconsistency and fragmentation of reporting, and lack of a unified and trusted system that donors, international partners and Palestinian institutions can rely on to report on aid.

In view of the challenging situation, the Local Aid Coordination Secretariat (LACS) co-chairs (Prime Minister’s Office (PMO), the MoFP, Norway, and the Office of the United Nations Special Coordinator for the Middle East (UNSCO)) requested the World Bank to carry out a Review of the main Aid Information system, the Development Assistance and Reform Platform (DARP) system, and the overall Aid Information Management status for the Palestinian Territories, and develop a proposal that identifies the necessary requirements for a revised/new aid information management system, taking into account lessons learnt, current practices and the platform objectives.

The objective of the review process was to assess the background, operations and status of recent and current Aid Information Management Systems in Palestinian Territories (including institutional set-up, software and user inter-action procedures), and provide recommendations on how to move forward towards improving Aid Information Management for all key actors.

The AIM review was intended to have the **following outcome**:

A Review Report that will have identified the needs and requirements for a revised/new aid information management system for Palestinian Territories, taking into account lessons learned, current practices and the platform objectives.

This revised/new system, if confirmed to be needed by all key actors, would need address the following objectives, based on lessons learned from successful implementations of similar systems in the region:

- Provide easy access and visualization of data and information for various policy reporting and planning purposes including for international cooperation fora, the aid coordination mechanisms, etc.

- Increase transparency and accountability of international external flows and donor community with regards to aid in line with the Paris Declaration on Aid Effectiveness.
- Enable improved data-driven gap analysis, needs assessment, planning and coordination, avoiding duplication and maximizing efficiency of foreign assistance
- Inform effective aid coordination between the Government and donors and also among donors.

The *Review* focused on covering the following key aspects:

- Current institutional arrangements, processes of information/data flows, channel of responsibilities for collecting, inputting and verifying the data at the various institutional levels. In addition to Identifying obstacles, bottlenecks and good practices of information and data/information flows.
- Analysis of the different functions and components of existing systems and their application, strengths and weaknesses: databases, dashboards, projects/activity location, data disaggregation, where relevant.

The Review was mainly conducted through:

- Consultations with Palestinian authorities, agencies and stakeholders who have been inputting or using data from these platforms;
- Consultations with donors and development partners to better understand their past and current reporting mechanisms, and their current needs relating to Aid Information: type, extent and coverage of required data; ideal report types, formats and periodicity; desired analysis and policy-making support tools;
- Review of the operation and functionality of the existing aid information management systems, and the achievements and limitations of past and existing systems –particularly the DARP- to deliver on these needs.

This consultation process has focused on 2 main issues, critical to the expected review outcome: 1) the identified *strengths and weaknesses of the DARP, from a client/user perspective*; and 2) *current unmet needs in terms of aid information management in Palestinian Territories* as well as the perceived restrictions regarding how to address these needs and the resulting *requirements for a potential revised/new system*.

The AIM Review focused, first of all, on the past operation and current status of the *Development Assistance and Reform Platform (DARP)*, which has been the main national AIM system set up in Palestinian Territories from 2010 until the present time. The review has also included a rapid assessment of other existing systems for collecting, managing and reporting aid-related information that are currently operational –or under development-, including the National Office for the Reconstruction of Gaza (NORG) project tracking system, the Area C Coordination System, the Quartet’s pMaps, PECDAR’s planned Aid to

Palestinian portal service, and an overview of the Ministry of Local Government's GeoMoLG mapping system.

## **II. Findings of the Review**

One of the objectives of the review, apart from assessing the status of the DARP system, was to try to identify and review other information systems which could be either alternatives to the DARP –if no longer found operational- or potential “building blocks” locally available for a revised/new AIM system. The mission therefore also carried out a rapid assessment of other Aid-related information management systems and tools, apart from the DARP, as per the following.

### ***Technical review of the DARP***

The main AIM system in Palestinian Territories has been the *Development Assistance and Reform Platform (DARP)*, which is still technically online, but has not been operational now since 2015, and is no longer accessible for review. DARP has not been functional since the merger of the MoPAD and MoF into the current MoFP in 2014-15.

The results of the consultation with past key users/clients of the DARP regarding its strengths and weaknesses can be summarized as follows:

#### *Strengths:*

1. DARP started with a strong team, strong support from MoPAD, training of donor focal points, regular follow-ups for quarterly reporting.
2. DARP was designed as a notable improvement over the previous offline, form-based PAMS system, and respond to the expressed needs of PA and donors. An option for a home-grown system was made precisely to assure better tailoring to local needs rather than purchasing off-the-shelf AIM system software.
3. UNWOMEN and DARP team developed in 2013 a gender marker to assess GRB.
4. Majority of data entry officers found the system to have user-friendly screens and guidance.

#### *Weaknesses:*

1. The DARP requested too much data, and most of it was in obligatory fields.
2. Data entry therefore took too much time and effort, and most donors did not have the human resources to support this effort.
3. Donors were asked to enter data that the PA already had, through their signed Aid Agreements.
4. Donors were also asked to enter data related to project activities, including location, local implementers and budget breakdown that only the implementers had, at least at the time of project registration in DARP. No allowance was made for Implementer reporting to the system, only donors. This not only reduced the amount of information available for the system, but also reduced the scope for quality assurance of the data entered.

5. The search function was limited and no standard, updated, online reports were available. Each report had to be requested by email. Users therefore did not get much feedback from the system.
6. A number of important donors did not report to the system (mostly due to excessive data requirements as well as concerns over data confidentiality, as explained in more detail in the needs analysis which made the data incomplete, and therefore of reduced utility.
7. No analysis or M+E tools were designed and implemented up front (though a number were planned), greatly reducing the utility of the system for planning, coordination, M+E and reporting.
8. A component was designed to compile the signed Aid Agreements, but it was never utilized, because there was limited compliance from the various Ministries and PA authorities regarding the creation of a central repository of these agreements (despite a recent Cabinet decision to create this compilation in the Department of International Relations, MoFP, this is still not being implemented).
9. The main system developer left in 2013, before a full hand-over of the software could effectively be done to his replacement. This limited future adjustments/upgrades of the system.
10. The merger between the MoPAD and MoF did not assure a proper transition for the DARP team, which was scattered, resulting in a de-facto freezing of DARP operation. It remains non-operational until today.

### ***Lessons learned from the international experience with AIM systems***

Though *the online system is currently no longer accessible, a detailed DARP user manual is available, and a technical assessment of the same confirms a number of the key findings above*, but also indicates that the DARP as the international experience shows, has a series of design flaws that can lead to failure. *Lessons learned* –particularly in the region- regarding failed AIM systems initiatives *include*:

1. Clear and determined ***national ownership and leadership of the proposed AIM system initiative is essential*** to achieve any positive and sustainable outcome. The relevant key national authorities and actors must clearly conceptualize the needed response to their Aid Information requirements and assume the lead role in developing the envisioned system and assuring its effective operation and utilization. *In this respect, DARP was considered to have strong national ownership and support in the MoPAD, in its initial phase. During the transition phase of the MoPAD to the MoFP that support seems to have been lost and the resulting paralysis of its operation is attributed by multiple actors in large measure to this problem.*
2. The design and operation of the AIM system ***should be intrinsically linked and tailored to the national development strategic frameworks and national sector plans*** to assure that the tracked Aid Flows are reported and analyzed in relation to the overall national development initiatives and responses, and that the system therefore *effectively supports aid coordination, gap analysis, M+E and reporting. This was planned in the DARP but never implemented, and*

–as we shall see- it is a key need/requirement of potential clients/users for the proposed revised/new system.

3. The AIM system **must be designed to respond to actual user and client needs**: too often AIM system are produced from a prescriptive view of how Aid Management systems should be designed and implemented (and eventually even inter-linked at the international level) without a real effort being made to *respond the particular requirements of national users and clients*. Again, the DARP team opted for local development of the system in part because of the intention of assuring proper tailoring to local needs. *However, the DARP clearly does not distinguish between diverse users with different needs (Government, Donors, Implementers), and assumes that all information will come from just Donors, and then makes scant or no provision for tailored information and analysis products for different users*. There is a lack of specifically designed data entry and report retrieval components in the system for each category/type of clients and users, i.e.:
  - Donors
  - Implementing agencies (UN, INGO, NGO, etc.)
  - Government

Each of these categories of clients/users has access to *different data at different moments*, and therefore data capture and input needs to *be tailored to each of these clients/users*. They also have **different needs in terms of reports/outputs from the AIM system**, and again this requires the system to provide an array of different tools for these categories of clients/users.<sup>1</sup>

4. In the DARP, the system required that *each project be assigned the relevant Development Assistance Committee (DAC) sector codes, and well as the related Creditor Reporting System (CRS) purpose codes*. This seems to have been abandoned very quickly, as most ex-users do not recall entering these codes, but their existence is indicative of the well-known design problems of standard AIM system.<sup>2</sup>

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<sup>1</sup> For example, donors will be the first to have -and be able to enter- the data on the original aid flow but will only have a limited amount of information regarding each aid flow, such as: amount, name of project, sector, status, recipient, start date, end date, and some general indication of location. Implementers, on the other hand, will be able to provide a break-down of programmes by projects, and projects by activities, in real-time, with budget allocation for each, as well as the precise locations of each activity, the delivery indicator status, etc. Meanwhile the Government clients/users will be able to provide critical data on needs -ideally by location, by indicator, etc- as well as regarding the overall national -strategic- planning framework, and the inter-action with government-funded projects and activities.

<sup>2</sup> This issue of *International Aid Transparency Initiative (IATI) codification of aid flows, programmes, projects and activities is a recurrent problem of AIMS internationally*: most AIMS systems have a prescriptive requirement for data inputters to codify each data entry according the very complex IATI Standards, which are also required by the OECD DAC (Development Assistance Committee) for international-level reporting. Though the objective of these codification standards is laudable, implementation at the national level results in practice in an unsustainable level of effort required from local data inputters and is a strong contributing factor for the avoidance of reporting that ultimately dooms many AIMS.

5. An additional consideration is to try to utilize existing tools/systems as much as possible, and/or propose a *more effective inter-linkage*, not only between the above-mentioned local ones, but also, and particularly with relevant international Aid Information systems such as the OCHA FTS, the OECD DAC system and the IATI d-Portal. *The DARP made no provision for this, though there was a mention in the Manual of trying to compare the DARP data with the IATI/OECD DAC data, but this function was not designed into the tool.*
6. Finally, the *cost/benefit relation for each planned contributor/inputter to the system must be beneficial to them.* This requires successfully implementing 3 complementary strategies:
  - a. *Reduce the transaction costs of dealing with the system for each user to its bare minimum;*
  - b. *Increase the beneficial impact of the system outputs to each contributor/inputter, and*
  - c. *Make sure the second component outweighs the first, ideally overwhelmingly.*

The DARP is a prime example of failure to address this last critical issue: it had very high transaction costs for the Donors who were expected to contribute a lot of information to the system, in very difficult formats, but then got essentially nothing out of it. The failure of the DARP under these circumstances was only a matter of time.

As seen above, *the main lessons learned align fully with the user/client analysis of DARP Strengths and Weaknesses as per our consultation process, and with the technical review of the DARP system design.*

### ***Rapid Assessment of other Aid-related Information Systems and Tools in Palestinian Territories***

To complement the above review and assessment of the DARP, a rapid assessment of other Aid-related systems in Palestinian Territories was also carried out, though none was found to have the breath of coverage of the DARP, and were therefore not considered as possible alternative to a national AIM system. However, some of them have achieved interesting results in the particular area of focus which could be relevant in terms of future integration/linkage with a national AIM system.

A still operational aid information management system is the *National Office for Gaza Reconstruction (NORG) System*, which is fully functional online, and has granted access for review to the consultant, as well as provided a detailed summary of its origin, development, implementation and current status.

NORG is good example of a system created some years ago (2014), but still functional, and which is simple to provide data to, and to use for coordination and reporting purposes, as it has a strong Search Engine, clear downloadable Tables, and good online Dashboards, though limited Reports design features. Its main limitation, however, is that it has no mapping component, and that it is limited in scope only to the Cairo Conference funding for Gaza Reconstruction.

A couple of very good mapping systems also exist: the pMaps of the Office of the Quartet, and the Area C National Coordination project mapping system. Both are built on the Government-run mapping platform GeoMoLG, which is an excellent example of the utilization of a shared mapping platform for multiple information applications, and is a very good model for a revised/new AIM system to achieve the incorporation of a critically important mapping and analysis component, which the previous system lacked. The pMaps system has a compilation of over 730 map layers (of which a majority are from the GeoMoLG layers, as well as from the PCBS, but many have been developed by the pMaps team, and the majority can be shared to support a common mapping platform for the potential national AIM system. As

for the Area C Coordination system it is a good attempt to develop a geographically focused project and activity tracking/mapping mechanism. The area C coordination office developed a platform/interface of ACCO on the (GEOMOLG) system, which consists a spatial information infrastructure to facilitate a comprehensive data of all the interventions in area C both humanitarian and development interventions. The national interface information are owned by the government and the information entry are entered/collected by the Palestinian national counterparts (the line related ministries).

An additional, more limited and focused, aid information management system was also reviewed: the Palestinian Economic Council for Development and Reconstruction (PECDAR) is preparing to go live with a historical compilation of Aid Flows to Palestinian Territories from 1994-2017. This will be part of a “Palestine Economic Portal”, and they expect to update it every year. A link between this historical Aid Flows compilation system and an Aid Flows tracking component of a revised/new AIM system would be a logical, and easy, thing to set up.

None of these reviewed systems have the characteristics of a national AIM system, but each are good examples of functional information tools that track certain aspects of what a national AIM system would need to cover and can be useful guides in the set-up of some of the key components of a new/revised national AIM system.

### ***Unmet information needs and client/user requirements***

The extensive consultation process during the review *confirmed the existence of a strong demand for a revised/new AIM system from the various key actors in the PA, UN agencies and Donor Representations.* However, the specificity of those needs and requirements (as well as the limitations for engagement with the system) is quite high, *confirming the need to clearly address different sets of users with differing system input/output configurations.* The following is the description of needs/requirements and limitations for the 3 main types of users/clients –Government, Donors, UN Agencies<sup>3</sup>:-

#### *Government needs and requirements:*

- i) International Cooperation Department of MoFP should be central repository of all Aid agreements (not yet implemented, but new/revised AIM system should support this) and focal point for and Aid Flows tracking component;
- ii) MoFP Budget Department critically needs a national Project and Activity tracking (4Ws) data for Programme-based budgeting;
- iii) M+E Department of the General Secretariat (Council of Minister) needs the same, ideally with key indicator tracking and reporting, linked to the NAP and the Strategic Results Framework;
- iv) Strategic Planning Unit needs both Aid Flows tracking data and 4Ws mapping and analysis tools to support national and sector strategic plan development.
- v) PMO needs simple data out for strategic policy planning

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<sup>3</sup> Due to time restrictions it was not possible to interview representatives of INGOs and NGOs/CSOs during the mission. They were consulted virtually and representatives were invited to participate in the conceptual design phase, as they are critical actors in the development and maintenance of a Project/Activity tracking and mapping component of the revised/new AIM system.

*Donor needs and requirements:*

- i) Simple data in, simple data out –essentially: amount of funding, status, dates, name of project, sector, beneficiary-, online filter, online live Dashboards, down-loadable Dashboards, Tables and Reports.
- ii) Data entry one time only in national AIM system, to replace multiple duplicating requests (Sector Working Groups, line Ministries, PMO, other), ideally loaded into the system by the PA itself (from the MoFP IC Dpt. Aid Agreements compilation), and only reviewed by donors.
- iii) Need to accommodate certain red lines in terms of info sharing, especially for public-facing reporting.

*UN agencies needs and requirements:*

- i) 4Ws Project/activity tracking and mapping/analysis tools needed for enhanced coordination and planning, for M+E and for reporting.
- ii) Ideally, the system would incorporate UNDAF/SDGs as the reporting structure (as well as NPA/Sector Plans) so M+E and reporting can be done directly from the AIM system.

### **III. Recommendations on Way Forward**

The recommendations of the present Review Report are organized into two sections: first, a series of *alternative lines of engagement and resolution for the critical issues identified by the review*, and secondly, the *main recommendation in terms of the proposed process for a way forward*.

#### ***Critical Issues Recommendations: Food for Thought and Debate***

Based on the above findings of the mission, the following are the key issues that need to be addressed and resolved to define the way forward regarding the challenge of Palestinian Aid Information Management. Below is a list of the key issues with *options of engagement and possible resolution, for key actors to evaluate and decide on how they wish to proceed*.

1. **Revised, new or no AIM system?:** The first issue is the question of *whether an AIM system is needed in Palestinian Territories or not*. The result of the mission consultation overwhelmingly indicates that *all actors agree on the need for an AIM system*, though there are plenty of disagreements on its potential characteristics and functions. So, if there is to be an AIM system, should it be a revised version of the DARP, or other existing system like the NORG, or the Area C Coordination tool? Or should it be a new AIM system? From a technical point of view, both the DARP and the NORG are quite dated systems in terms of their software: any programmer tasked with attempting to update them would almost surely decide to re-programme with more up-to-date tools. What can, and should, be “saved” from these systems is the learning process regarding what worked and what did not, particularly key functions that were popular with users, and which should be included in the new system. So the recommendation would clearly be *to develop a new AIM system*: the real question is whether to do it as a *home-grown system*, like the case of the DARP or the NORG, *or as an externally contracted service?* There are pros and cons

to both options, and this should be a key starting point for the *new AIM system Concept discussion*, which is proposed in the final section.

2. **A new Tool, or a new Toolkit?**: As indicated in the previous chapter a critical design flaw of many AIM systems (and a confirmed one for the DARP) is the *failure to discriminate between the different needs of different clients/users*, and therefore *not design specific interfaces and tools for them*. From an analysis of the above-stated differing needs and requirements, the new AIM system should be *designed by components*:
  - i. A first component would be exclusively focused on the key data required by Donors and by some Government actors: the basic *Aid Flow Information for Palestinian Territories*. The starting point for the design of this component should be an online system, managed by the Department of International Cooperation of MoFP, which would produce the standard Cover Page for signature of all Aid Agreements entered into by the PA. All PA authorities who intend to sign an agreement would sign into the system, would fill in a Basic Info Summary with the main data of the Agreement (donor name, project name, amount and type of funding, start and end date, sector, location) and would be issued an Agreement ID number and would print out the Cover Sheet for signature. Once signed, a scanned copy would be entered into the system. The data from these agreements would automatically populate the Aid Flow database, so Donors would only need to review. Additionally, the Aid Flow system would have an automated link to the OCHA FTS and the IATI d-Portal which would allow the system supervisor to identify additional Aid Flows that do not go through the PA but directly to UN agencies or NGOs, and also load them into the Aid Flow database for Donor review. The Aid Flow component would have, like the whole AIM system, automatically updated and downloadable Dashboards, Tables and Reports, all with dynamic filtering to produce the required report by each client/user.
  - ii. A second component of the new AIM system, possibly supported by the Budget Office of the MoFP, with support from the LACS Sector Groups with the relevant line Ministry lead, would consist in a *Project and Activity tracking and mapping system*, which would be maintained by Implementer direct reporting and updating.
  - iii. A third component of the new AIM system would be the shared mapping platform (with an extensive, sector-by-sector compilation of critical geo-referenced datasets<sup>4</sup>) and a set of gap and overlap analysis tools, to support Strategic Analysis and Planning, Coordination, Supervision and M+E. This component would be jointly supported on the mapping side by GeoMoLG and other national mapping actors as indicated above, and by the PMO, ideally through the General Secretariat of the Council of Ministers, if the PA decides to create an inter-ministerial planning support service to complement the planned inter-ministerial

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<sup>4</sup> Geo-referenced datasets are compilations of data that have a geographical coordinate linked to each data entry that allows the data to be mapped.

M+E system (which could also be supported by the new AIM system, of course). This would make the new AIM system more of a Toolkit than a simple tool, with a set of inter-related component, and its administration would be done by an inter-ministerial team, as proposed by several interviewees.

3. **Ownership, Leadership and Support:** *Identify clear national government leadership of any AIM system initiative, as well as the various ownership arrangements of the key components, if housed separately as per above. Formalize this arrangement together with the support commitments of key additional actors (Donors, main Implementers).*
4. **Keep it simple:** *In all components, keep data collection to the minimum necessary to address the client/user needs and no more. As various interviewees noted, the AIM system should be designed as a support service, not as an auditing or vetting system. An additional, important consideration to be addressed at the conceptual design phase, is the use of automated data transfer tools for data input from users (automated reports in drop-box or direct use of APIs, depending on user capabilities and restrictions).*
5. **Assure positive Cost/Benefit Ratio for all Clients and Users:** *carry out periodic user/client surveys to assess how the cost/benefit ratio of the new AIM system is perceived, and adjust as needed.*
6. **Provide agreed mechanisms for actors reporting to AIM system to be able to manage their red lines in terms of specific data sharing:** *explore agreed mechanisms for waivers of data submission in certain critical cases, and/or provide alternatives in terms of higher accepted levels of data aggregation in cases where further disaggregation could cause problems.*
7. **Assure Linkage to Critical On-going Reform Programmes:** *Assure effective programmatic linkages of any new AIM system initiative with key on-going or planned Government Reform and Capacity Enhancement programmes/projects (i.e. PGF, SIGMA Planning Support, Budget Reform support, National M+E support and others), given the potential for the system to provide critical support functions to those various reform/change interventions.*
8. **Assure senior level, capable lead and team to manage the AIM system:** *many interviewees underlined the importance of setting up a senior level, highly capable management team for the new AIM system, given that there is growing recognition that the task –if it is to be effective and successful- goes much beyond simple IT tool maintenance, and requires political sensitivity as well as a capacity to manage intra-institutional coordination and lead joint task forces supporting sensitive policy issues. This will have both budgetary and institutional set-up implications that will need to be addressed and resolved satisfactorily.*

### ***Main recommendation on way forward***

Considering that a number of previous attempts have already been made to design and implement a national Palestinian AIM system which have not resulted in a sustainable solution, though the needs continue to be confirmed by all key actors, the main recommendation of the mission regarding the way forward is therefore to focus, and agree, on a *step-by-step, multi-actor, consultative process* to formalize the following:

- 1) *A formal confirmation of whether an AIM system is needed at all;*
- 2) *If a new AIM system is deemed indeed to be needed, what specific requirements should this system address, for which sets of users, in what manner, with what products, who will assume the ownership and leadership of the system and be responsible for its operation, and what commitments are all the key actors ready to make to assure its viability and sustainability; and finally,*
- 3) *Whether the newly agreed system should be a revised DARP, an expansion of existing systems like the NORG, or a wholly newly designed AIM system.*

A ***three-step process*** to achieve this is proposed, as follows:

1. Share the present Review Report with all key actors and compile their comments, revisions and eventual proposals;
2. If the confirmed collective decision is to move forward with a revised/new AIM system, plan second mission to develop in a *multi-actor technical* AIM system Conceptual Design Workshop, the agreed specifications of the revised/new AIM system, and an agreed Implementation Process and Timeline for its implementation.
3. Based on the results of the Workshop and mission, draft the detailed AIM system Project Concept Note and Implementation Plan for review and approval by all key actors, to be ratified in a signed tri-partite MOU among key actors (Government, Donors, UN) laying out the Concept, the Process and the Timeline, and specifying the committed roles each actor will play in the process. This MOU, with its related Concept Note and Implementation Plan will be the starting point to develop a detailed National AIM system Project that will guide the implementation of the Palestinian National AIM system.

### **Recommendations for next steps by key actors:**

✓ *To the Government:*

- a. Assess the current and future needs and requirements for an AIM system, by component areas and specific products, through a quick internal consultation process with all key potential users/clients, on the basis of the current report.
- b. Identify the institutional leads for each future AIM system component, and define the overall structure and leadership of a

joint management team/unit with the potential to implement the full system.

- c. Assume the leadership role in the development of the new/revised AIM system, with a focus on a sustainability strategy for its implementation and operation, including in terms of funding commitment.

✓ *To the Donors:*

- a. Assess the current and future needs and requirements for an AIM system, based on the current report and in consultation with all key donor actors, identifying key restrictions on data entry as well as information sharing and distribution, and specifying critically needed products.
- b. Engage with Government leads and Implementers in the conceptual design and implementation plan of the required system, through designated focal points as needed.
- c. Assure sufficient funding support, with at least a 3 year start-up and consolidation horizon, based on substantial counterpart funding by the Government.

✓ *To the Implementers:*

- a. Assess the current and future needs and requirements for an AIM system, by component areas, identifying key restrictions on data entry as well as information sharing and distribution, and specifying critically needed products and outputs, using the current report and through a key actor consultation process.
- b. Agree on a minimal common commitment to data entry into the new system, conditional to a clear and positive cost/benefit ratio for reporting Implementers, in terms of delivered analysis, coordination and reporting products from the system.
- c. Identify the technical leads in each Implementer that can participate in the Conceptual Design workshop of the AIM system and can then act as key technical focal point during start-up and implementation process, assuring in particular low-friction, low-effort, data feed into the AIM system from the internal Implementer info systems.

## Chapter II: Concept Note of proposed Palestinian Aid Information Management (PAI AIM) System

### I. OBJECTIVES, EXPECTED OUTPUTS, and ACTIVITIES

#### **Objectives**

The *overall objective* of the proposed **PalAIM System Project** is to support the effective design and assure the sustainable roll-out and operation of a national aid information management system.

The *specific objectives* will be:

- Collect and assess needs/requirements of stakeholders
- Design PalAIM system based on lessons learned and assessed
- Deploy and sustainably operate the PalAIM system
- Enhance the capacity of the PalAIM permanent team, as well as of the key users and clients, to interact in a sustainable manner with the system, and assure its organic adaptation to evolving need and requirements in the future.

#### **Expected Outputs**

The *expected outputs* for the project are as follows:

- *Nationally-run Aid Flows Tracking System set up and fully operational.*
- *Nationally-run Project and Activity (4Ws) Tracking and Mapping System set up and fully operational.*
- *Nationally-run PalAIM Analysis Support Toolkit set up and fully operational.*
- *Enhanced capacities of Palestinian Authorities, as well as key users/clients of the system, to implement and assure sustainable operation of an integrated PalAIM system.*

#### **Overview of Proposed Activities**

The PalAIM System implementation project will start with the operational set-up of the national Lead Team, with each of the Component Leads nominated and tasked by their respective Agency Head:

- *Team Lead and Analysis, Planning and Coordination Support Toolkit Lead:* PMO nomination, based in International Aid Coordination Office, or in the SG in support of Council of Ministers.
- *AFT Component Lead:* International Relations and Projects/MoFP nomination, housed in that department.
- *4Ws Component Lead:* Budget Dept/MoFP nomination, housed in the MoFP.
- *Digital Atlas Component Leads:* PCBS and GeoMoLG, with shared housing modalities TBD.

An *integrated technical support team* will also need to be established / recruited / contracted, which will respond administratively to the Team Lead, but operationally to the Component Leads according to the tasks they are to carry out.

If the team is externally recruited it could transition into direct employment with the Government at the end of the project support period, to assure sustainability of the PalAIM System.

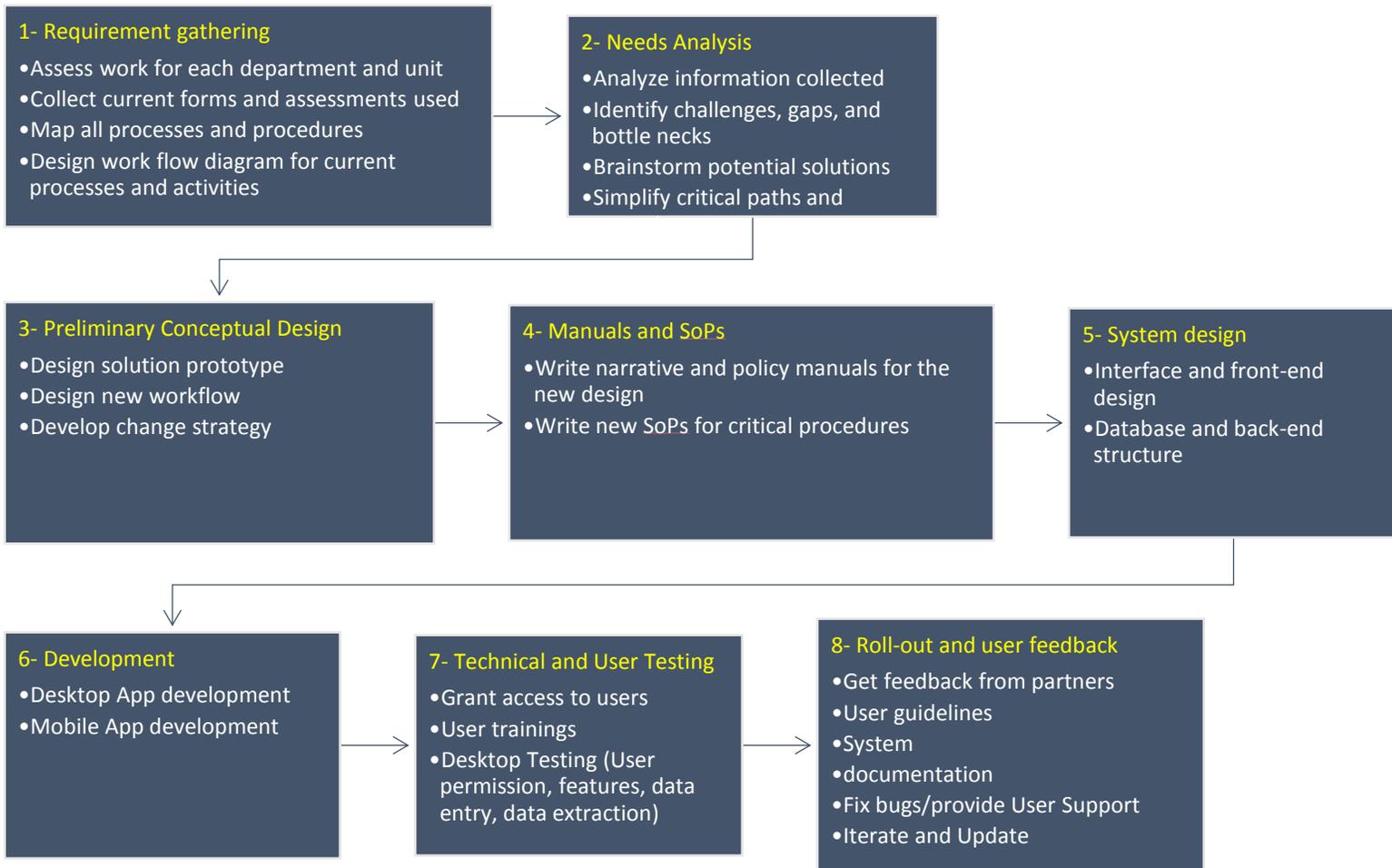
Two *external technical advisories* should be recruited also, but only for an initial, limited, period of time, and specific focus of work:

- i) a *senior technical advisor*, to support: a) the initial system analysis phase, including institutional process analysis and potential institutional and procedural review, Standard Operating Procedures (SOP) development for critical (revised) processes and system design alignment to the (revised) processes; b) the Team Lead and Component Leads, as well as their respective Agency heads as needed, in the design and implementation of the required institutional/procedural change processes, to accompany the roll-out of the new PalAIM system; c) the identification and design of key policy and strategic planning analysis tools in the PalAIM system, for policy and decision-makers; d) a national team capacity enhancement strategy, including an on-the-job training plan, the development of a detailed set of revised process SOPs and related system manual, and the quality assurance of the technical hand-over from the system developer to the permanent country technical team.
- ii) A *system development service analyst* to: a) carry out the detailed system requirements and needs analysis, b) develop the initial prototype design –including process SOPs and manuals- c) carry out iterative user testing, feed-back and system adjustment to produce initial stable version, and d) carry out needed on-the-job training to the country technical team and assure the full hand-over of the system. A trouble-shooting and remote support service to cover the 24-month period of the project phase should also be required in the scope of contractor services.

Regarding the system development service analyst, the ToRs for this service contract should specify the following, in order to assure compliance with the recommendations of the initial review and of the conceptual workshop:

- i) the system should be developed specifically for local needs, not an off-the-shelf solution;
- ii) the system should be license-free;
- iii) the system should be client-server based not offered only in SaaS (Software-as-a-Service) mode; and the source code should be handed over to the country technical team, together with detailed operational manuals;
- iv) the system should be capable of linking directly to multiple donor and project implementer database systems to automate data capture –and therefore reduce client/user transaction costs-whenver possible;
- v) the system must allow for further customization by the country technical team after hand-over, to assure sustainable maintenance.

The overall PalAIM system development process will follow the below *conceptual workflow*:



**Activities for Output 1: Nationally-run Aid Flows Tracking System set up and fully operational**

The Aid Flows Tracking (AFT) component of the PalAIM will be designed to effectively support a centralized PA-wide Aid Agreement coordination and compilation mechanism, in line with the approved Policy Directive of the PA Cabinet indicating that all Government Aid Agreements should be coordinated through the International Relations and Projects Department of the MoFP.

The AFT component will provide –at a minimum- a standardized Cover Page for all Aid Agreements, which will have at least the following fields: *Unique Identification Number of the Agreement, Name of the Donor(s), Amount of Funding (Amount + Currency), Modality (Donation, Subsidized Loan, other), Status (Programmed, Committed, Partially Disbursed, Completed), Recipient Agency/ies of the PA, Name of Programme/Project(s) Supported, Disbursement Schedule, Date of Signature, Date of Finalization of proposed support, Implementation Modality, Target Sector(s), Intended Location(s).*

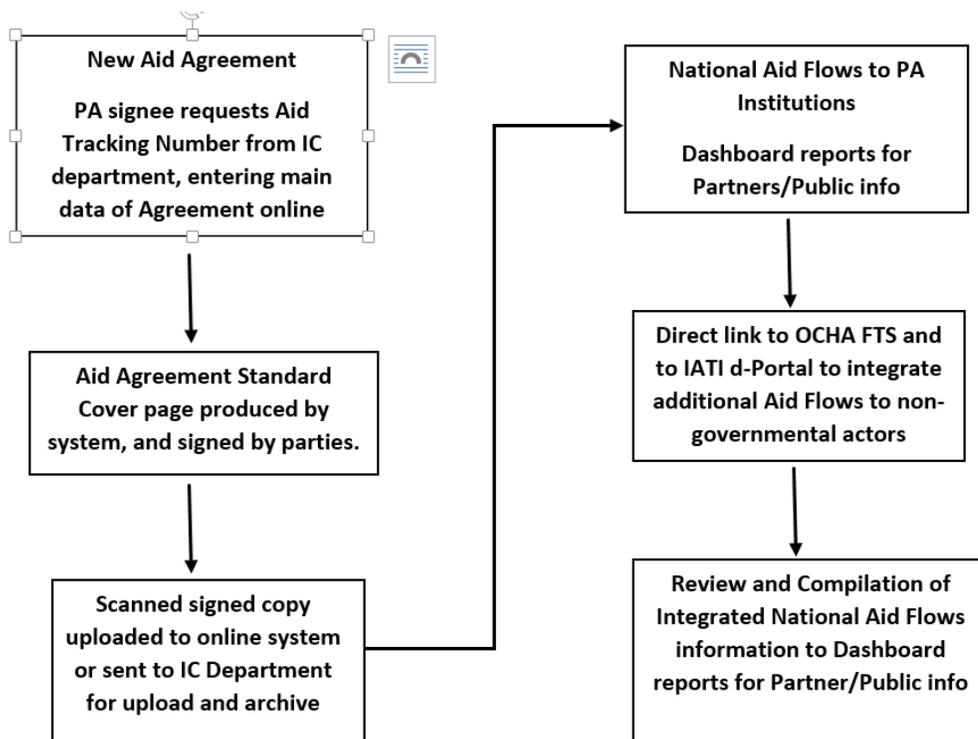
The AFT will capture the key data from each agreement Cover Sheet, and will have the capacity to scan the full Aid Agreement Form for archiving, sharing and future reference. It will additionally support direct Donor reporting of Aid Flows not formally engaged with the PA through Government Aid Agreements. The design focus will be on ease of donor registration and data entry, and the minimum required fields

will be aligned with the ones agreed for Aid Agreements data registration, but with the relevant Recipient Organization Name.

The AFT will further support the remote access (through the necessary API interface) to the OCHA Humanitarian Financial Tracking System (FTS), as well as to the Palestinian-related Aid data reported in the DAC/IATI d-Portal, and support the display, comparison and integration of the AFT directly captured data with the OCHA FTS and the DAC/IATI d-Portal data, to produce the fullest possible view of all Aid Flows to Palestinian Territories, both humanitarian and non-humanitarian.

An additional function of the AFT will be another API-supported link with the capacity to compare this data to the data captured in the AFT locally, in order to identify Aid Flows that may have been missed in the local data capture process, and enable the system Administrator to follow up with the relevant reported Donor for confirmation and eventual data entry.

Finally, the AFT will provide extensive online, real-time, user-tailorable information Dashboard displays and downloadable Reports to its user/clients, based on a detailed assessment of their requirements and specifications by potential users and clients. The following is a preliminary model workflow for the AFT Component, to be revised and adjusted based on the detailed needs/requirements analysis of the system development process:



**Activities for Output 2:** *Nationally-run Project and Activity (4Ws) Tracking fully operational*

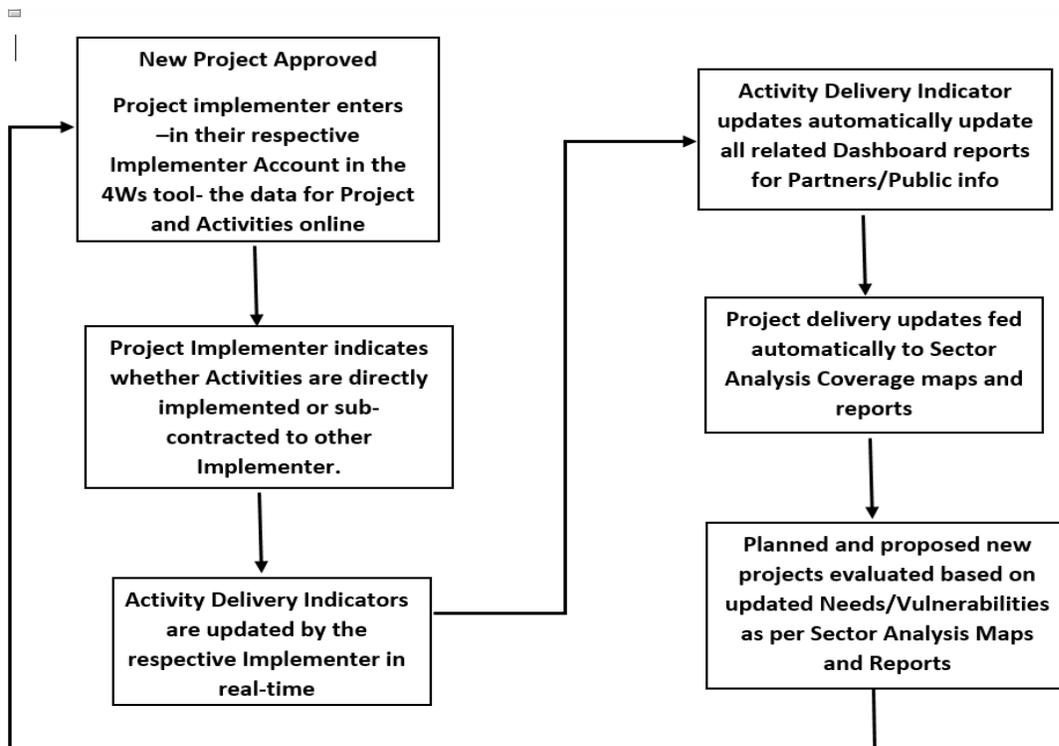
A national Project and Activity (4Ws) Tracking and Mapping Component for the PalAIM will be designed and implemented. A key initial characteristic of its design will be to assure ease of registration and data entry by all relevant *aid-funded (non-humanitarian) Project Implementers*. Each Implementer shall have

a reporting profile automatically created by their inclusion as a recipient organization in the AFT Component, and the reported amounts disbursed by Donors will automatically appear as ready for reporting break-down in the relevant Implementers' 4Ws data entry page. If Implementers have received a Donor contribution that does not appear in their reporting page (which means that the Donor has not –yet, at least- reported it), the Implementer will enter the Donation amount and the respective 4Ws data and update. In these cases, the system shall automatically offer the system administrators the view of all reported donations received by Implementers, in order to compare with Donor reporting, and eventually follow up these specific cases of Donor non-reporting.

Minimum proposed 4Ws Data Fields: *Activity Information (Project Name, Stage, Activity Title/Type, Implementing Partner(s), Available Funds); Donor(s) (Donor Budget, Year); Sector(s) (Sector, Subsector, Percentage Funding by subsector); Beneficiaries (Gender, Age group, Direct/Indirect) ; Location (Locality, Locality Type, Locality Budget, Locality Percentage Completion); Indicators (Target Value Year/Month, Actual Value, Indicator Gender/Age/Direct-Indirect).*

At the next stage a complement of the 4Ws Component could be the development of a *national Palestinian Digital Atlas*, as a shared compilation of all relevant geo-referenced data-sets and map resources, integrated as the common display platform of the 4Ws Component.

The creation of this Palestinian geo-referenced data and map sharing, and compilation will be carried out through a dedicated *Work Group* in charge of maintaining the Atlas compilation. This working group should be chaired by the lead PA relevant agencies –PCBS and MoLG (GeoMoLG)- and incorporate all relevant actors, including UN agencies (in particular OCHA and DOCO), (I) NGOs and key private sector actors. The PalAIM technical team will provide all necessary support to the work of this Group, particularly through the two GIS officers, one of whom should be dedicated full-time to the support of the Atlas compilation. The following is a preliminary model workflow for the Project/Activity 4Ws Component, to be revised and adjusted based on the detailed needs/requirements analysis of the system development process:



**Activities for Output 3:** *Nationally-run PalAIM Analysis, Planning and Coordination Support Toolkit set up and fully operational.*

Under the overall guidance of the PMO, and the support of the Ministerial Planning teams, the NAP outputs and KPIs will be integrated into the PalAIM and linked to the Aid Flows and 4Ws Components to provide tracking and analysis reports on NPA delivery status and critical gaps. In similar manner, and with the additional guidance and support of UNSCO, the UNDAF/SDGs planned Outputs and KPIs will be integrated into the PalAIM and linked to the Aid Flows and 4Ws Components to provide tracking and analysis reports on UNDAF/SDG delivery status and critical gaps.

**Activities for Output 4:** *Enhanced capacities of Palestinian Authorities, as well as key users/clients of the system, to implement and assure sustainable operation of an integrated PalAIM system*

The revised Process SOPs and related Operations Manuals will be developed for the operation and maintenance of each of the PalAIM system components in order to assure clear and coordinated division of labor, responsibilities and accountability among the various PalAIM team leads, as well as the key national stakeholders of the system, and its main users/clients.

Training will be provided by the system development contractor to all key government counterpart national staff on the use and maintenance of the key components of the PalAIM system, based on the above-indicated process SOPs and Operations Manuals, in order to assure sustainable national ownership and leadership of the system.

## **II. Implementation Modality and Next Steps**

The project will be implemented directly by the Palestinian government (with the support of LACS co-chairs and a technical team). The Project should be funded jointly by the Government and contributing donors, and a commitment by the Government to maintain the system services after the project completion will be part of the co-funding agreement. A formal endorsement of the Project Document by the Aid Policy Forum, including UN, Donors and Government representatives, will be sought, to assure key actor buy-in to the process.

### ***Next steps***

- 1) Confirm PA and Donor commitment to the PalAIM concept
- 2) PA to appoint team leads and decide if the technical team will be PA employees
- 3) A local system development service analyst to be recruited to gather requirements for system development and provide an estimate of the approximate cost for its establishment
- 4) Secure Donors and government funds for technical advisory and system development

## Annex I: List of Interviews

1. **Prime Minister's Office, Policy and Reform Unit:** Bashir Rayyes, Head, Policy Priorities and Reform Unit; Ines Abdelrazek-Faoder, Policy Advisor; AbdelHadi Abushahla, Senior Advisor.
2. **LACS Co-chairs:** Subhra Bhattacharjee, Planning, Monitoring and Evaluation Specialist (UNSCO); Norway Thomas Berdal, Rima Tadros ; Bashir Rayyes, Ines Abdelrazek-Faoder, PMO; Mark Ahern, Program Leader, World Bank; Raneen Hassan Hasuna, Operations Analyst, World Bank
3. **LACS Office:** Bushra Mukbil, Head of Office; Sanaher Zaben, IM Officer/ Aid Coordination Officer; Ureib Amad, Development Aid Coordination Officer.
4. **Secretary General Office, Council of Ministers:** Bader Abu Zahra, Head of M+E Unit.
5. **Ministry of Finance and Planning:** Laila Sbaih, Director general, International Relations and Projects Dpt.; Tareq Mustafa, Acting Director of Budget; Mr. Qadri Bisharat, Acting Director of Budget Performance, Emad Daya, Advisor, Budget Dpt.; Fahed Sheikh, Director, Development of Public Financial Mgmt. Dpt.; Ammer Nour, Head of Strategic Planning Unit)
6. **Ministry of Social Development:** Daoud Al Deek, Deputy Minister.
7. **Area C National Coordination Office:** Hala Haj Hassan, Coordination Officer, Area C National Coordination Office, Nivin Hijazi, GIS and Planning Officer.
8. **DARP lead design team:** Dr. Estephan Salameh, former head of Aid Management and Coordination Unit, Ministry of Planning.

9. **National Office for Gaza Reconstruction (NORG):** Emad Al Masri, System Manager.
10. **Office of the Quartet, pMaps Unit:** Ammar Nada, Economic Mapping and Data Visualization Officer.
11. **PECDAR:** Tareq Zahran, Head of Economic Policy Department.
12. **UNDP:** Chikako Kodama, Governance Team Leader; Maha Abusamra, Programme Manager, Governance.
13. **UNICEF:** Genevieve Boutin, Special Representative in State of Palestine
14. **UNWOMEN:** Inas Margieh, Programme Coordinator.
15. **UNWRA:** Melissa Fernandez, Head a.i, Field Programme Support Office; Tharwat Nashashibi, Chief M+E Unit; Hannes Floman, Head of Emergency Interventions Unit.
16. **Office of the EU Representative:** Alessandra Viezzer, Head of Cooperation, Office of the EU Representative; Edward Macmillan, Aid Coordinator.
17. **DFID:** Nic Bowler, Deputy Head of Office; Buraq Nuseibeh, Governance Advisor.
18. **Germany / KfW :** Waddah Hamadalla, Senior Programme Coordinator.
19. **Netherlands:** Floor Nuiten-Elzinga, Deputy Head of Mission, Head of Cooperation; Rana Khutab, Programme Officer.
20. **Denmark:** Miral Al Far, Deputy Head of Cooperation
21. **France:** Gregoire Bonhomme, Attache de Cooperation Humanitaire, Sociale et Decentralisee.
22. **Sweden:** Maher Daoudi, Senior Programme Manager, Humanitarian Assistance; Hwaida Sweilem, Program officer.
23. **Australia:** Warren Hoyer, Head of Cooperation and Deputy Head of Office.