

Ref: UNDP/PAL 10/ 77024

05 September 2018

**Subject: Hebron Courthouse Project 2018 Quarter One Progress Report
Quarterly Progress Report**

Dear Dr Rajab,

Reference is made to the contribution agreement between Global Affairs Canada and UNDP's Programme of Assistance to the Palestinian People for the Hebron Courthouse Construction Project (GAC Reference Project no. P-000469 (ex Z-020917) Arrangement # 500 7056285).

I am pleased to submit herewith the Narrative and Financial 2018 Quarter One Progress Report for the Hebron Courthouse Construction Project.

The report summarizes the progress of the project as of 31 March 2018 and provides an overview of the achievements, challenges, lessons learned, financial status and way forward.

I thank the Government of Canada for its contributions to UNDP and look forward to strengthening our partnership in support of the Palestinian People.

Sincerely yours,


Roberto Valent
Special Representative of the
Administrator
UNDP/PAPP

Dr. Khaled Rajab
Senior Project Officer
Ramallah

Attached: 2018 Quarter One Progress Report – Hebron Courthouse Project



Progress Report

**Construction of Hebron Courthouse
First Quarter 2018 Report**

Reporting Period:	01 January 2018 – 31 March 2018
Partners:	Donor: Global Affairs Canada (GAC) – formerly, the Canadian Department for Foreign Affairs, Trade and Development (DFATD) – and referred to upon signature of Administrative Arrangement (AA) as the Canadian International Development Agency (CIDA) Implementing Partner(s): High Judicial Council (HJC)
Project Title:	Construction of Hebron Courthouse
Project Numbers:	UNDP Reference: PAL 10 – 00077024 Donor Reference: Courthouse Construction Project– Z-020917, Arrangement # 7056285

TOTAL CONTRIBUTION: CAD 32,793,367		
Canadian Department of Foreign Affairs, Trade and Development (DFATD) – now Global Affairs Canada	Deposits	USD Equivalent
	USD 10,358,400.66	\$10,358,400.66
	CAD 10,000,000.00	\$8,019,246.19
Total funds received:		\$18,377,646.85
Expenditures from 01 January 2011 to 31 December 2011		\$26,405.91
Expenditures from 01 January 2012 to 31 December 2012		\$253,876.73
Expenditures from 01 January 2013 to 31 December 2013		\$220,776.06
Expenditures from 01 January 2014 to 31 December 2014		\$246,159.98
Expenditures from 01 January 2015 to 31 December 2015		\$553,832.25
Expenditures from 01 January 2016 to 31 December 2016		\$676,637.25
Expenditures from 01 January 2017 to 31 December 2017		\$5,646,477.93
Expenditures from 01 January 2018 to 31 March 2018		\$175,803.48
Total expenditures (USD):		\$7,799,969.59
Closing or Provisional Balance (USD):		\$10,577,677.26



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Abbreviations

AA.....	Administrative Arrangement
AAU.....	AAU Anastas Office
CAP.....	UNDP Contract, Asset and Procurement Committee
CBA.....	Cost Benefit Analyses
CIDA.....	Canadian International Development Agency
DFATD.....	Canadian Department of Foreign Affairs, Trade and Development
EMP	Environmental Management Plan
EQA	Environmental Quality Authority (State of Palestine)
FF&E.....	Furniture, Fixtures and Equipment
GAC	Global Affairs Canada
HJC.....	High Judicial Council
HQ.....	UNDP’s Headquarters in New York
JDC.....	Jerusalem Design Centre
JSC.....	Hebron Municipality Joint Service Council
JV.....	Joint Venture
LCCA.....	Life Cycle Cost Analysis
MoPWH	Ministry of Public Works and Housing
NSF.....	Palestinian National Security Forces
PSC.....	Project steering Committee
RFP.....	Request for Proposals
TC.....	Project Technical Committee
TOR.....	Terms of Reference
UNDP/PAPP.....	United Nations Development Programme/ Programme of Assistance to the Palestinian People
UNOPS.....	United Nations Office for Project Services



1. Background

The goal of this project is to enhance the ability of the Palestinian Government to dispense the rule of law in an efficient and effective manner. The previous intervention was aimed to provide improved service delivery to the Palestinian people through the construction of the Ramallah Courthouse Complex (Palace of Justice), which would also symbolize and support Palestinian state building, where the administration of justice would be strengthened and modernized. The planned estimated 17,500 square meter facility was intended to include the Palestinian High Judicial Court, Ramallah Appellate Court, Cessation Court, Court of First Instance, and the Magistrate Court. The project was to encompass three phases: (1) design; (2) construction works; and (3) the purchase of equipment and furniture for the Palace of Justice, as well as, the Hebron and Tulkarem Courthouses.

As reflected in the 15 March 2013 letter from Canada, and amendment signed on 25 June 2014, the project was re-scoped. As a result of the re-scoping, responsibility for the design and construction of the Hebron courthouse was transferred to UNDP/PAPP from the Palestinian Economic Council for Development and Reconstruction (PECDAR) as Canada decided not to proceed with the design and construction of the Ramallah Courts Complex.

The Hebron Courthouse will house the First Instance, Magistrate and Appeal courts, Public Prosecution Service and the Judicial Police Services in a facility with a gross floor area of approximately 16,170 square meters.

The original Administrative Arrangement (AA) was signed between the Canadian International Development Agency - CIDA "Donor" and UNDP/PAPP, on 03 March 2011, for a total value of Twenty-Seven Million Twenty-Four Thousand and Two Hundred and Eighty-One Canadian Dollars (**CAD \$27,024,281**). Under this AA, UNDP/PAPP acts as the Executing/Implementing Agency, while the Project Owner is the High Judicial Council (HJC).

Following the signing of the original arrangement, a comprehensive project review took place between 07-15 June 2011, with the full engagement from Canada, HJC, and Office of the Attorney General, UNDP/PAPP, and other parties to verify courthouse requirements and budget resources.

With the ensuing discussions that took place between Canada and HJC, the total area for the Ramallah Courthouse Complex had reached 52,000 m². As requested by Canada, UNDP/PAPP proceeded to launch a Request for Proposals for obtaining Professional Services for the Design of the Ramallah Courts Complex, which was issued by UNDP/PAPP (RFP-2012, 01) on 23 November 2012, with a closing date of 20 February 2013, and included the Design Brief and Accommodation schedule. As part of the March 2013 re-scoping decision by Canada, the design services RFP was cancelled following the submission of bids and, therefore, bids were not evaluated.

On 15 March 2013 the Government of Canada dispatched a communication to UNDP following the meeting between Canada and UNDP/PAPP on 11 March 2013 in Jerusalem, requesting a re-scoping of the deliverables in the administrative arrangement. UNDP/PAPP responded on 05 April 2013 with its acceptance of the re-scoping parameters, accordingly and in anticipation of signing the amended version of the Administrative Arrangement, which was scheduled for June 2013.

An amendment to the original administrative arrangement, originally signed in March 2011, and as per the 15 March 2013 letter, was signed by both parties on 25 June 2014, covering the following elements:

1. UNDP/PAPP is tasked with the design and construction of the Hebron Courthouse.



2. Canada would no longer fund the design and construction of the Ramallah Courthouse Complex.
3. Procurement of the furniture, fixtures and equipment (FF&E) for the Hebron Courthouse facilities.

Component	Budget	Project site
Construction and equipping of the Palestinian Judicial Courthouse Complex in Ramallah	CDN \$27,024,281	Al-Bireh - Ramallah, oPt

Re-Scoped Component	Budget	Project site
Construction of the Hebron Courthouse	CDN \$ 32,793,367	Hebron - oPt

2. Objectives

Outcome: Rule of Law and Access to Justice Enhanced

Output: Courthouse facilities built and equipped to meet courthouse architectural design best practice.

3. Achievements

Key Events & Activities During the First Quarter of 2018:

S.L.N o.	Activity Description	Activity Date
1	Site offices mobilization	January 2018
2	Site fencing including road closure	January 2018
3	Excavation works to reach the reduced level formation. During the excavation works for the reduced level, two big caves were discovered at the east side of the project site. Accordingly, the contractor has raised a concern on the discovered caves to UNDP. UNDP had invited AAU and other concerned parties and it was agreed to do a new soil geotechnical testing to ensure there are no more cavities are available and to avoid any risk of building settlement in future.	January/February 2018
4	The discovered caves have been filled with concrete for safety of the road.	February 2018
5	Upon agreement of the new soil re-testing, GMT Laboratory has been assigned to do the geotechnical re-testing. The testing scheduled to be finished within 53 days. The Geotechnical testing agreed to be done using continuous boreholes in addition to electrical resistivity tests to cover all the site.	February/March 2018
6	Safe passageway casting with concrete for the safe passage of school students and public people passing from the neighbouring residents.	March 2018
7	Removal of PSF assets from the exchanged land modification of site fencing.	March 2018



8	Excavation of the remaining part of the exchanged land.	March 2018
9	Material submittals for approval. During the first quarter of 2018, the contractor has submitted 04 civil material submittals, 08 mechanical submittals, and 13 electrical submittals for approval.	Up to End of March-2018

I) Updates on Global Affairs Canada set Conditions:

Global Affairs Canada (GAC) provided some of the requirements and services related to the infrastructure to enable the UNDP/PAPP to follow up on the tender, which should be implemented by no later than December 2016. During the sixth Project Steering Committee (PSM) meeting held on 14 June 2017, all five pre-conditions were met and approved by GAC, and the Procurement and Construction Phase as per planned activities.

1. Assurance by the Hebron municipality to provide 2000 electric Amperes to the proposed Hebron Courthouse.

- Fulfilled, as per received assurances from HJC, the Hebron Electric and Power Company (HEPCo) and a letter from the Israeli Electric Company (IEC) that the relationship between HEPCo and IEC is very good and based on good relations and ongoing mutual assistance in all matters related to the supply of electricity, and the handling of electrical events and faults in the region.

2. Assurance by the Hebron municipality to provide an electric transformer with the required electric capacity, to install, operate and test it during the implementation stage.

An amount of NIS746,589 was allocated by the Ministry of Finance as part of the HJC’s general budget to procure the required transformer in cooperation with the Hebron Municipality in order to complete the installation operations and to check its readiness.

3. Availability of a technical team to manage the facilities of the proposed Hebron courthouse complex.

During the current phase, the Higher Judicial Council has secured six financial allocations to recruit technicians with several specializations specified as follows: Two air-conditioning technicians, two maintenance technicians, one network technician, one electromechanic engineer and two computer maintenance technicians. Three of those technicians (air-conditioning, maintenance and network) will work at the Hebron courthouse. Completion of all administrative procedures is underway to finish the recruitment to support the administration of facilities in managing its operations and to start developing a special future vision for this department, as part of the support for all courts across the governorates through the establishment of centres in Nablus, Ramallah and Hebron areas. A total of six technicians and engineers will be appointed in the same department next year, based on the staffing scale of HJC.

4. Allocation of annual budgets as suggested by the Ministry of Finance for maintenance and operation of the proposed Hebron courthouse complex.

A special budget has been allocated to manage the facilities and maintenance under the Higher Judicial Council’s budget of 2017. Under this budget, amounts were set aside for the new Tulkarem and the Hebron courthouses where the Hebron Courthouse is currently in the



construction phase, and will be delivered upon approval of the Higher Judicial Council and the Ministry of Finance pursuant with the attached documents and the 2017-2019 budget proposal submitted by the Higher Judicial Council.

5. Full operation of the Tulkarem Courthouse.

The Tulkarem courthouse was handed over to the HJC, and operated within the current available electric capacity of 630 Amperes. According to the agreement with the Tulkarem Municipality, the electricity capacity will be increased to 900 Amperes by end 2017. A team of employees and engineers from the Higher Judicial Council were assigned and commissioned to operate under a full-time job at the Tulkarem Courthouse to ensure that all the systems in the building are operating properly, especially that there are four engineers and technicians (Mechatronics Engineer- Mohammad Barakat, Engineer Mu'taz Sabha, Maintenance Technician- Firas Tuhol and Maintenance Technician- Ayham Tayeh) reside at the courthouse to check and monitor all the needs of the facility management.

II) Hebron Courthouse Design / Procurement / Construction:

A. Design and Procurement

1. The Invitation to Bid (ITB) for prequalified contractors was launched in July 2017.
2. The 100% design was completed and approved by the Technical Committee on 02 February 2017 and approved by the PSC on 14 June 2017.
3. The Prequalification of Contractors was conducted from 07 March 2017 to 08 June 2017. Out of the 12 contractors who submitted to the prequalification exercise, only 05 contractors were qualified, based on the criteria set by UNDP.
4. The following were the qualified Contractors to participate in the Tender Process:
 - i. Al-Mosleh and Atlantic Joint Venture
 - ii. Tubeileh Engineering and Contracting Co.
 - iii. CCC and Osaily joint Venture
 - iv. Abaad Contracting co.
 - v. Skills and Quality – Saqa Construction Co.
5. Out of 05 tender submissions, only one Contractor submitted a bid that was within the approved Construction Budget.
6. Due to further additional documentations and requirements by the Government of Canada, additional evaluation and assessment of bidders, and following the queries from contractors, the original closing date of the Invitation to Bid (ITB) of 10 August 2017 was moved to 12 September 2017, and finally extended to 28 September 2017.

B. Construction

1. Due to the extensions of the ITB Bid Submissions/Process, the Construction Contract was expected to be awarded to the winning contractor by 04 December 2017.
2. The Construction was originally scheduled for completion by December 2019. The construction completion date will be revisited due to the un-expected soil caves found during the excavation works, which merited a new Geotechnical testing to be conducted, and possibly leading to foundation re-design. The completion date will be defined upon the completion of the geotechnical testing and reviewing the Geotechnical lab results and recommendations.



3. The Commissioning Period will be from December 2019 to April 2020. The commissioning dates might be affected due to the same reason mentioned above.
4. The Courthouse is scheduled to be handed over to the High Judicial Council by April 2020. As far as the handing over date, it remains to be confirmed for the same reason mentioned under point no.2 above.

III) Environmental Compliance

A. Environmental aspects of the design and its compliance were also covered in the above diverse requests by GAC and the Cost Benefit Analyses (CBA's), and studies of each aspect and compliance were covered. See Annex D for the results of the Green Building and CBA and the Life Cycle Cost Analysis (LCCA).

1. **Electricity – Solar Photo Voltaic (PV) Systems:**

- i. In addition to its economic impact, this investment has positive impact on the environment and building sustainability and it is strongly recommended and it will be installed as part of the project. An allocation of USD 220,000 was set aside for the Solar PV System.

2. **Water Harvesting and Storm Water:**

- i. One of the sustainable solutions for this issue lies is rainwater harvesting. In its design, UNDP/PAPP provided a large water tank to be used for collecting roof rainwater after filtering. The average annual rainfall for Hebron is 597 mm. If we consider that rooftop area is around 1200 m² and 80% can be used for rainwater collection, then total annual harvesting will be 572,873.6 litres (**573 m³ – capacity of the cistern**). This is a large amount with a monthly average of 47m³/month, or around 2m³/day. Rainwater harvesting from other surfaces and roads for irrigation of green areas will increase building sustainability and minimize the need for fresh water.
- ii. The construction of the cistern to collect the rain water also reduces the storm water runoff.

3. **Domestic Hot Water System:**

- i. The Life Cycle Cost Analysis (LCCA) study was conducted for the water heating system which reflected that using electric heaters remains to be the most economical option. Using solar water heaters with high capital cost is not a good choice except for taking the environmental consideration and sustainability of the project. The different options were shared by the AAU during several technical meetings in this regard.
- ii. Only selected wash rooms will be provided with hot water facilities due to cost restrictions.

4. **Waste Water**

- i. As stated in the environmental study, waste water collection and disposal will be coordinated with the Municipality of Hebron Joint Service Council (JSC) to be connected to the future treatment systems/plant scheduled for the year 2017.

5. **Solid Waste Management**



- i. The design integrates a location for containers storage, and access for the solid waste vehicle in coordination with the Hebron Municipality Joint Service Council (JSC). A further coordination is required once the courthouse is already fully operational for the solid waste collection schedules.
- ii. The loading bay was incorporated in the design and in coordination and approvals from the Hebron Joint Service Council – Solid Waste.

6. Reduction of Electricity Consumptions:

- i. The introduction of KNX¹ systems (Konnex - Building Automation System), proper wall and windows/glass insulations and lighting systems will reduce significantly the electric consumption as stipulated in the LCCA/CBA documents.

7. Positive Green Net Policy

- i. Landscaping as per design concept report – 60% & 80% and design plans
 - 1. The existing trees (3 olive trees and 1 citrus) will be replanted as per plans.
 - 2. A net gain policy for vegetation will be implemented by:
 - a) Large sidewalks of the building will have trees.
 - b) The southern triangular part of the land will be planted with trees that needs little irrigation and little-attention.
 - c) The suspended roof at the ground floor will be planted with trees and shrubs.
 - d) The northern boundary with the parking lot will have a row of trees all along.
 - e) The roundabout at the Sally port will be planted with high trees to reach the opening of the ground floor of the court yard.

8. Environmental Quality Authority (EQA – Palestinian State) - EASR and EMP

- i. The EMP was submitted to EQA for its final approval. The EQA reverted with minor comments on the final draft. It is expected to receive the final approval by last week of November 2017.
- ii. UNDP received the copy of the EASR on 29 September 2014 and will become part with the Construction Environmental Management Plan.
- iii. The EQA approval was received on 10 December 2014, attached as Annex E.

¹ **KNX**, an abbreviation of Konnex, is an open standard (see EN 50090, ISO/IEC 14543) for commercial and domestic building automation. **KNX** evolved from three earlier standards; the European Home **Systems** Protocol (EHS), BatiBUS, and the European Installation Bus (EIB or Instabus).

4. Cross-cutting Issues

In line with UNDP's corporate policy on gender inclusion, the design of the Hebron courthouse cover elements that address gender and people with disabilities.

The holding cells, washrooms, as well access, to facilitate movement throughout the different courthouses, were catered and designed for males, females, with special considerations provided for persons with disabilities. Male and Female Juveniles were also provided with holding cells separate from Adults.

Gender consideration is also given priorities while recruiting and hiring project personnel.

5. Challenges and Lessons Learned

Challenges:

- Delays caused by several rejections of the 20% and 40% design plans by HJC at the last minute had negative impact on the finalisation of planned and current timelines. The electricity and other facilities also posed a challenge though there were already guarantees provided in writing by the Hebron Municipality that it had enough power to provide the needed electricity supply to the proposed Hebron Courthouse.
- It is also worth noting that several of the most efficient and economical designs project proposals that were studied and were rejected by the Project Owners. Some of the reasons mentioned had to do with the fact that such designs were not within the norm in Palestine, while others were based on personal preferences.
- Coordination with different local authorities and project neighbours, characterised as having a negative cooperative attitude which led to some delays in starting of excavation works at site. UNDP had held several meetings prior to the works being launched with the stakeholders and explained the limitations of the project with its commitment to the safety and environmental considerations.
- Coordination with PSF, HJC, and Hebron Municipality to enable the Contractor to excavate the exchanged parcels of land & urging the issuance of the Presidential decree allocating the land parcel in favour of the HJC, which took quite a long time and, had a negative impact on the excavation progress.
- The discovered Caves below the existing adjacent street during the excavation and the risk of failure which required an immediate action of filling by mass concrete to avoid sudden collapse and address a non-expected damage to the people using the road. This also had a negative impact on the excavation progress.
- The weak soil nature and discovered cavities during excavation, which caught the immediate attention of the Contractor, UNDP, and the Design firm and raised a flag of the risky bearing soil capacity which led to a decision to proceed in performing a new geotechnical testing of the soil. The findings and the recommendations of this test required changing the foundation system by using a piling system to bypass the discovered cavities and mitigate the risk of any future settlement in the building. This further impacted project progress.



Lessons learned:

- Secure the required paperwork and commitments of national counterparts ahead of time, although it is clearly stated that such commitments are the responsibility of the owner, from the outset of the cooperation arrangements.
- Discuss with GAC on how to resolve the involvement of many parties during the decision-making process, especially on technical issues.

#	Lesson title	Details	Actions
1	Ownership, Works Responsibility	Secure the required documentations and commitments of the National counterparts ahead of time, although such commitments are the responsibility of the owner, from the outset of the cooperation arrangements. Examples of the documentations are land titles and other deeds and other government permits.	Deeds secured but resulted in delays. Secure commitments with timelines to ensure compliance with the discussed and approved time schedules.
2	Tulkarem Lessons Learned	Lessons Learned for the newly-constructed Tulkarem Courthouse was compiled and discussed with all stakeholders to improve the services and functionality of the Proposed Hebron Courthouse. Examples of the Lessons Learned are the following: <ul style="list-style-type: none"> • Segregation of Electrical Mains between the Courthouse and Prosecution. • The use of Electrical Surge Protections. • Segregation of the PABX System between the Courthouse and the Prosecution but with a possibility of internal calls between both wings. • The A/C systems will be segregated by Zoning. 	Lessons Learned, discussed and evaluated by both UNDP and AAU Technical Teams for adoption and implementation. However, all changes that will affect the floor spaces and functionality and project costing will not be implemented due to the critical timeline and limited budget due to currency exchange losses.

6. Key Partnerships and Inter-Agency Collaboration

UNDP/PAPP proceeded to involve the partners (HJC and GAC) in the different processes and progress against project milestones to secure the High Judicial Council and Office of the Attorney General Ownership and active participation in the different stages of the project. UNDP/PAPP also assisted to several meetings and consultations with colleagues from the UNOPS tasked with the implementation of the Tulkarem courthouse.

In addition to its ongoing and regular consultations with GAC, UNDP/PAPP is also in close coordination with the EQA for the approval of the Construction Environmental Management Plan. As the Construction will be starting soon, a coordination will be established with the Hebron Municipality, the Civil defence and the Governorate especially on the facilities and infrastructure needed such water, electricity and waste management.

7. Way Forward

Priority in the Second Quarter of 2018 will be given to addressing the foundation design issue and resuming the construction works one site immediately, parallel to which exploring ways to mitigate the delays encountered due to the soil geotechnical testing and foundation re-design.

The UNDP/PAPP team will continue to work closely with the Design Services (AAU), Canada, the HJC and the Contractor for the Construction of the Hebron Courthouse.

Risks

#	Risk Descriptor (from risk register)	Risk status (H/M/L)	Risk Owner	Explanation including actions (required only for medium and High risks)
1	Currency Exchange Losses	Medium	GAC / UNDP	<p>As suggested by the UNDP SR last March 2015 and during several meetings and as a UNDP Policy upon awarding of contracts that all the construction envelope will be transferred to UNDP account upon the approval of the construction in USD.</p> <p>As the contracts will be awarded in USD, the construction envelope will be protected from the rise and fall of the currency exchanges between USD and CAD with the inclusion of a Forward Agreement in the contract.</p> <p>Forward Agreement is an agreement with the bank to fix the dollar rate throughout the contract duration, usually at the rate of 5% of the contract value insured.</p>
2	Delegated Authority to the Members of the Technical Committee by their Ministries / Institutions	High	All Stakeholders	<p>It is being experienced in the Technical Committee that the members are not empowered with decision-making authority to make decisions and thus the delays in the approvals and the back and forth discussions.</p> <p>In the implementation phase, it is crucial that the members of the Technical Committee be empowered to make</p>



				<p>decisions especially when there is a need to address changes in the design or change orders during the construction.</p> <p>If this will not be resolved or given urgent attention, the project implementation will also suffer the same delays as we have experienced during the design phase, and may overburden the project with unnecessary financial claims.</p> <p>A Standard Operating Procedure (SOP) for the Construction Technical Committee was approved by the PSC. However, UNDP is still waiting for the final version of the SOP as commented by HJC and partners. The non-signed SOP was approved by HJC on 11 July 2017 as per email sent by Engr. Kawther Kittaneh</p>
3	Political factors\ Conflicts, Closures Imposed on Hebron	High	All Stakeholders	<p>If these risks happen, all works will be delayed or result in a complete stoppage.</p> <p>Contingency Plans will be in place and a recovery schedule will be developed.</p>



8. Resources and Financial Status

Table 1: Financial status as of 31 March 2018 – Construction of Hebron Courthouse (UNDP reference PAL10-77024)

TOTAL CONTRIBUTION: CAD 32,793,367		
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Total expenditures (USD):		\$7,799,969.59
Closing or Provisional Balance (USD):		\$10,577,677.26



Annex A

**Technical Committee Meeting Minutes
(Please see attached PDF Files of Minutes of Meetings)**



Annex B

Project Financial Rundown



Hebron Courthouse Construction - Global Affairs Canada (GAC) Funded

Administrative Arrangement (AA) signed on 03 March 2011

UNDP Project ID:

PAL10: 00077024

Cumulative:

Reporting Currency: US Dollars

Budget Categories as per the AA	ATLAS Activity	Total Allocation as per Amendment #2	First and Second Tranches	2011 Disbursements	2012 Disbursements	2013 Disbursements	2014 Disbursements	2015 Disbursements	2016 Disbursements	01 January to 31 December 2017 Disbursements	01 January to 31 March 2018	Total Disbursements ending 31 March 2018	2018 Resource Balance as of 01 April 2018
Project Implementation	Activity 1	\$2,044,396.31		\$24,436.42	\$65,434.68	\$77,837.90	\$ -	\$189,482.96	\$234,958.24	\$330,254.46	\$64,356.74	\$986,761.40	\$1,057,634.91
Quality Assurance Team (Q&A)	1	\$571,629.20		\$ -	\$ -	\$ -	\$95,091.19	\$86,912.27	\$101,808.61	\$133,053.07	\$42,255.21	\$459,120.35	\$112,508.85
Direct Costs (DC)	6	\$657,000.00		\$629.48	\$79,493.08	\$125,624.89	\$27,245.77	\$98,409.46	\$58,517.72	\$42,391.37	\$14,066.84	\$446,378.61	\$210,621.39
Equipment (EQ)	4	\$1,750,000.00		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00	\$1,750,000.00
Auditing, Monitoring and Evaluation (AME)	5	\$100,000.00	\$18,377,646.85	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00	\$100,000.00
Design Works (DW)	8	\$800,000.00		\$ -	\$ -	\$ -	\$95,199.29	\$133,959.27	\$227,687.00	\$49,980.13	\$ -	\$506,825.69	\$293,174.31
Construction (CON)	3	\$16,162,645.53		\$ -	\$91,883.48	\$2,554.52	\$10,974.54	\$7,062.17	\$7,927.00	\$4,607.80	\$0.00	\$4,728.20	\$11,434.40
Implementation Support Services - ISS	7	\$596,974.52		\$ -	\$67.64	\$314.40	\$1,603.62	\$1,764.25	\$1,433.17	\$113,153.26	\$43,623.53	\$161,959.87	\$435,014.65



Empowered lives.
Resilient nations.

General Management Services - GMS 7%	\$1,745,823.17	\$16,581.52	\$14,443.22	\$16,108.01	\$36,231.33	\$44,263.22	\$369,364.48	\$11,501.16	\$510,247.55	\$1,235,575.62
Contingencie \$	\$1,868,764.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00	\$1,868,764.55
Currency Risk Contingency	\$1,527,521.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00	\$1,527,521.63
**Realized Gain		\$ -	(\$3.16)	(\$2.18)	(\$2.04)	(\$8.01)	-1.07		(\$16.46)	\$16.46
**Realized Loss		\$1.73	\$4.30	\$ -	\$12.57	\$50.24	479.11		\$547.95	(\$547.95)
Sub total	\$27,824,754.91	\$253,462.13	\$220,776.07	\$246,220.24	\$553,832.24	\$676,637.19	\$5,646,477.93	\$175,803.48	\$7,800,029.79	\$20,024,725.12
Allocations in Canadian Dollar CAD	32,793,367	Allocations in U.S Dollar \$		27,824,754.91		Exchange Rate		I USD = 1.05 CAD		

FY	Interest Accumulated Amount
2011	\$106,484.43
2012	\$128,075.35
2013	\$101,165.13
2014	\$69,163.74
2015	\$70,767.80



2016	\$ 81,671.80
2017	\$ 110,252.00
Grand Total	\$667,489.25

****The Realized Gain and Realized Loss** are related to Account Payable vouchers, which have "Realized Exchange Rate Difference". Therefore, **there are NO GMS charges on these two accounts.** To be more precise: The Realized exchange rate difference is recorded to the Realized Loss Account 76125 or to the Realized Gain Account 76135. It is very important to clarify that it is **NOT** incorrect to have Realized Gain and Loss. In addition, UNDP doesn't need to correct these charges. They are integral part of project expenses recorded in a different account and associated to original vouchers.

Second Tranche of CAD 10 Million recorded in UNDP accounts on 31 October 2017 as follows:

Deposit Unit	Deposit ID	Deposit Date	Deposit Type	Payor	Description	Payment Currency	Payment Amount	USD Equivalent
UNDP1	59568	27/10/2017	C	GLOBAL AFFAIRS CANADA	TRF/REF 7114ABS300 GKP19CANADA	CAD	10,000,000.00	8,019,246.19

Explanatory Notes to the Financial Rundown:

As a member of the UNDP Executive Board, the Government of Canada has agreed to charge project-related costs to the project.

Among these costs, there is Direct Project Costs (DPC)

1. Direct project costs (DPC) are organizational costs incurred in the implementation of a development activity or service that can be directly traced and attributed to that development activity (projects & programmes) or service. Therefore, these costs are included in the project budget and charged directly to the project budget for the development activity and/or service.
 2. The primary objective of DPC is to reflect in the appropriate project budget the true direct costs of achieving the development results and objectives. DPC together with General Management Services (GMS), which covers the organisations' costs in support of its corporate structure, enables full implementation costs to be reflected and fully costed to the projects by UNDP for the implementation of its development activities and services.
 3. With respect to development activities, DPC is used to budget for and recover the costs of the following activities:
 - a. Programme Activities:
 - Dedicated support embedded in development programmes and projects;
 - Implementation and implementation support activities; and
 - b. Development Effectiveness Activities:
 - Strategic Country Programming;
 - Formulation/management of project pipelines/new business development;
 - Programme policy advisory services.
- ❖ Programme implementation and implementation support activities - these are costs incurred by UNDP to support project implementation by Operations units, including services related to finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services and information and communications technology. These were previously defined in UNDP as Implementation Support Services (ISS).
- ❖ Development Effectiveness – these are activities and costs that support programme quality, coherence and alignment and relate to results in country and at regional levels. These are activities of a policy-advisory, technical and implementation nature essential to deliver development results. In UNDP Country Office, these are the costs associated with Programme Units and Programme Support Units. Development Effectiveness costs applies to all regular (core) and other (non-core) programmes and projects.



4. DPC in development projects under the Direct Implementation Modality (DIM)
 - As an implementing partner, UNDP is responsible for any services provided under such agreements and is entitled to the reimbursement of full costs for these service provisions.
 - DPC for development effectiveness, programme and implementation support services are negotiated during the project formulation phase and included in the project budget.
5. Notes to the Financial Report Included in this report.

Quality Assurance Costs were not charged to the project until the year 2014, although the project was launched in March 2011.

Under the initial project structure, the Project Manager was a locally-recruited officer, where later on the Government of Canada requested the Project Manager to be an international and secured additional funding for launching the recruitment.

The services of the Quality Assurance team were required throughout the project from the first Canadian mission visiting the country early summer 2011 to review the financial allocations for the initial project. Under the original project, UNDP was tasked with building the Ramallah Court Complex (Judicial Palace), where the scope was later changed to constructing the Hebron Courthouse (tasked to PECDAR to implement under the original agreement). In addition to working with the different Canadian missions, consultants and the Representative Office of Japan, Quality Assurance teams were also supporting the Project Manager and Programme Analyst by assisting to meetings, consultations, reviews, analysis and advice to the different designers/consultants and project stakeholders working on issues related to land deeds (for the construction site), land parcel packaging, design concept notes (for both Ramallah and Hebron Courthouse), accommodation schedules, etc., let alone procuring the needed services.