

Summary of the Terminal Evaluation

I. Outline of the Project		
Country: Palestine		Project: Improvement of Local Governance System in Palestine
Sector: Governance		Cooperation scheme: Technical cooperation project
Division in charge: Public Administration Division, Governance Group, Public Policy Department, JICA		Cooperation amount (at the time of evaluation): About 1,076 million yen
Period of cooperation	September 2005 - December 2010 (extended by four months based on results of terminal evaluation)	Partner country's implementing organization: Palestinian Ministry of Local Government (MoLG)
		Supporting organizations in Japan: None in particular
1-1 Background to and outline of the cooperation		
<p>Ever since the launch of the interim self-government in 1994, Palestine has promoted decentralization and the development of a system of local self-government, with an aim of future national independence and self-reliant financial and administrative operations. For instance, it established the Local Government Law (1997), and gradually held local elections (2004). However, as a result of the intifada (popular uprising) that broke out in September 2000, the economic and financial circumstances in Palestine deteriorated significantly, and without any independent revenue sources, this caused considerable loss in financial and administrative autonomy for more than 60% of the basic municipalities (smallest units of administration, such as cities and villages; Local Government Units (LGU)), which had been rapidly increasing in number since 1994.</p> <p>Against such a background, in September 2004, the Palestinian National Authority appealed to Japan for technical cooperation in the area of local governance. JICA invited executive officers from the Palestinian Ministry of Local Government (MoLG) and heads of local government to participate in the country-focused training called “Local Self-Governing Administration and Management” in March 2005, and it also analyzed some of the issues pertaining to decentralization and self-governing administration in Palestine. As a consequence, training participants and others formulated a draft framework for project cooperation (Project Design Matrix (PDM)) with a focus on two issues: (1) an absence of local fiscal policy and a delay in institutional development; and (2) insufficient capacity for region-wide cooperation among local governments. In June 2005, JICA concluded a written agreement (Record of Discussion (R/D)) with the MoLG to dispatch a team to discuss and consult about implementation and to conduct capacity development of local governments in the areas of local finance and regional administration, as well as practical capacity building activities for local government personnel. This Project was subsequently commenced in September 2005, with the MoLG as the counterpart organization. Following the mid-term evaluation in March 2007, in view of the progress of activities at the time, agreement was reached with the Palestinian government during the project consultation held in May 2008 to extend the Project period by two years to August 2010.</p>		

1-2 Contents of the cooperation

The aim of this Project is to prepare policies and strategies on local finance and regional administration, which are issues in Palestine's system of local governance, and to develop infrastructure for a future system of local governments, by strengthening capacity such as through the formulation of plans for local government personnel in the Palestinian West Bank region, and by strengthening the capacity of the MoLG for preparing policies and strategies. Specific details of the cooperation are as follows.

(1) Overall goals

- Municipal services are improved through promotion of LGU amalgamation and formation of JCs.
- LGUs' revenue is improved through implementation of local finance policy.

(2) Project purpose

The foundation for implementing policies in the area of local finance and Joint Councils (JC) is established.

(3) Outputs

- Major issues for local finance are clarified and a basic policy for improvement of local finance is recognized and promoted in MoLG.
- Major issues for JC are clarified and a strategy for improvement of service delivery are recognized and promoted by MoLG
- Needs of LGUs are identified and MoLG are able to implement training for capacity development of LGUs.

(4) Inputs (at the time of evaluation)

Japanese side: Total amount: 1,076 million yen

Dispatch of long-term experts:	1	Provision of equipment
Dispatch of short-term experts:	14 in total	
Acceptance of training participants:	58 (training in Japan: 39, third-country training in Jordan: 20)	

Palestinian side:

Placement of counterparts:	8 persons in total	Purchase of equipment
Locally employed staff:	7 persons	
Provision of land and facilities:	Provision of basement level 1 of the Jericho Public Library free of charge	

II. Outline of the evaluation team		
Team members	(Area of responsibility: Name, position) <ul style="list-style-type: none"> • Leader: Chie Miyahara (Director, Public Administration Division, Governance Group, Public Policy Department, JICA) • Local Administration: Hirofumi Kawakita (Senior Advisor, Public Policy Department, JICA) • Cooperation Planning: Kanako Okamura (Officer, Public Administration Division, Governance Group, Public Policy Department, JICA) • Evaluation Analysis (local finance, training) : Atsushi Tokura (IC Net Limited) • Evaluation Analysis (regional administration) : Kinuko Mitani (IC Net Limited) 	
Period of the evaluation	May 4-22, 2010	Type of evaluation: Terminal evaluation
III. Outline of the evaluation results		
3-1 Confirmation of the achievements <<Degree of project purpose achievement>> The project purpose was achieved. [Indicators for project purpose] (1) Local finance policy is approved by MoLG (2) JC strategy is approved by MoLG <ul style="list-style-type: none"> • Despite some pilot projects remaining incomplete, since two indicators have been achieved, the project purpose was achieved. Formal approval by the MoLG was announced for both proposals during the terminal evaluation. With regard to the local fiscal policy proposal, discussions aimed at policy implementation will be promoted within the MoLG at the initiative of the MoLG Minister and Deputy Minister. With regard to the JC strategy proposal, outreach activities led by the MoLG are scheduled to begin from September 2010, and it is expected that consistency in content with other strategy proposals within the MoLG (merger strategy plan, etc.) will be ensured. Degree of output achievement As a result of project activities, two of the three outputs were virtually achieved. Indicators for Output 1 (1) Local finance policy is drafted (2) Concerned people understand local finance policy sufficiently <ul style="list-style-type: none"> • Since both indicators were achieved, it can be said that Output 1 was achieved. 		

Indicators for Output 2

- (1) JC strategy is drafted
- (2) DJCspd and Regional Directorates of MoLG understand JC strategy sufficiently
- (3) Experiences and lessons learned from following activities in Jordan Valley are included in the JC strategy annex document: cluster based planning, implementing pilot projects, JC establishments and capacity development
- (4) Number of dissemination activities for JC strategy organized by DJCspd.
 - The JC strategy proposal has been approved by the MoLG, and it can be said that the MoLG officials fully understand it. However, because of delays in the progress of the pilot projects, supplementary documents are yet to be produced. Furthermore, since the MoLG had been waiting to see how other pending strategy proposals would develop, publicity activities have also been slow to start, and are expected to begin in September 2010.

Indicators for Output 3

- (1) 10 trainers are trained
- (2) Training Materials (textbooks and manuals) which reflect needs of LGUs are developed.
- (3) 1000 LGU and JC members are trained
- (4) 10 trained trainers are able to conduct trainings with the developed training materials
- (5) 70% of participants evaluate the training above 4 out of 5 levels
 - Ten instructors received training within the MoLG. Training is now being delivered by these instructors using the teaching materials, and the curriculum and teaching materials have been revised. As of May 2010, the number of training participants had exceeded 2,600. This is much higher than the target, and interviews have confirmed that there is a high degree of satisfaction with the training itself.

3-2 Summary of the evaluation results

(1) Relevance

The relevance of the Project is high. The content of the project is consistent with Palestinian development strategies, MoLG strategies, and JICA's assistance policy. Furthermore, pilot projects and the training of local government employees have been conducted in discussion with the Palestinian side and based on a local needs assessment, and it can be determined that they are consistent with the needs of the target group.

(2) Effectiveness

Through the involvement of officials on the Palestinian side, the issues associated with regional administration and with local finance, which was an issue for local governance in Palestine, have become clear. Furthermore, capacity development training has been conducted for local government personnel, who are the human resources responsible for future local governance. As a result of this, and through the achievement of Outputs 1, 2 and 3, improvements were made to the infrastructure for implementing local fiscal policy and regional administration policy (which is the project purpose). Based on this, the effectiveness of the Project is determined to be high. However, given that the supplementary documents to the JC strategy proposal pertaining to Output 2 are still being prepared, in addition to continuing to follow up on the progress of the pilot projects (which serve as material for the documents), further effort is needed in preparing the documents.

(3) Efficiency

The efficiency of the Project is determined to be medium. The local state of affairs prevented the long-term expert from being dispatched until January 2007. This meant that there was no function constantly monitoring the overall project. This was one factor in lowering efficiency. However, by having the JICA Palestine Office complement this function, there was efficient generation of synergy effects with other JICA projects and efficient sharing of information with individual donors. Another negative effect was the fact that the majority of participants in the training in Japan left midway through the project. Despite this though, the achievements of the third-country training in Jordan and the optimum use of local consultants and other local resources have contributed to better efficiency. The free provision of a level of the Jericho Municipal Library as a training facility for government employees also contributed to the efficiency of the Project.

(4) Impact

In order to achieve the overall goals, the JC strategy will need to be disseminated led by the MoLG, and consistency of the strategy with other strategy proposals (merger strategy plan, etc.) within the MoLG will need to be ensured. With regard to local fiscal policy, it is also expected that moves toward implementation will be made at the initiative of the MoLG, aimed at improving the revenue of local governments.

As for positive impacts, through participation in training and working groups established under each output, communication between persons concerned was promoted, and the implementation of pilot projects served as an opportunity to build bases connecting communities and administrations. With respect to pilot projects, another positive impact observed was the connection to identifying Japan's grant aid for community development projects and grant aid for grassroots human security projects. On the other hand, no negative impacts were observed.

(5) Sustainability

Various issues related to sustainability remain. With regard to local fiscal policy, further discussion on individual planned activities is needed within the MoLG, and moves toward implementation are needed. With regard to JC strategy proposal, it is expected that the MoLG will take responsibility for ensuring consistency with merger strategy plans, etc. and for future outreach activities. As for training, decisions need to be made as to the direction of actual training programs, for instance: Should training for local government employees

continue to be implemented by the MoLG? In addition, decisions must also be made for such questions as: What should be done about training facilities in the future? In other words, should the Jericho training facility continue to be utilized, or should the facility be relocated to Ramallah? On the other hand, revisions to training materials and to the curriculum have been appropriately carried out by incumbent instructors at MoLG, and so it can be determined that this contributes to improved sustainability.

3-3 Factors for the emergence of the effects

Implementation process

- Despite not being convened, the Joint Coordination Committee (JCC), which is designed to supervise the overall progress of the Project, provided project consultation and it reviewed the project design and progress at the time of the mid-term evaluation. It also held meetings as necessary to check progress for each output, and it provided advice by means of the JICA Project Team and Palestine Office.
- In view of the fact that action policies and implementation methods were adjusted and adapted according to changes in the Palestinian political and public safety situation, and that the input of a long-term expert was difficult, flexible approaches were adopted with respect to inputs and implementation methods, etc., for example, utilizing local resources through the effective combination with short-term experts.
- Efforts were made for the effective and efficient emergence of effects by means of third-country training in the neighboring Hashemite Kingdom of Jordan (hereinafter referred to as “Jordan”), which has more favorable conditions in terms of language and geography.
- Since the purpose of this Project was to assist in the formulation of a policy proposal and strategy proposal—although not cooperation centered on the transfer of technology by experts to counterparts—it was confirmed that the knowledge and know-how of persons concerned improved, such as via the activities of the working groups established under each output. Furthermore, during the pilot projects, capacity development programs targeting members of local government were conducted, and improvements in the capacity of local government personnel were also observed.

3-4 Problems and factors that caused problems

(1) Problems related to the contents of the plan

- The subjects of each component (fiscal policy, regional strategy, and capacity development of government employees) were independent of each other, and the target scale of outputs and range of activities of each were much larger than originally planned. Given this, the logic—for instance, their association with the project purpose, and above all, their connection in achieving the project purpose through the synergy effects of each component—was weak. In response, while the training of local government employees was positioned as capacity development aimed at implementing local fiscal policy and regional administration strategy, with respect to the relationship of the three components, it was regarded that achieving the outputs established for each would contribute

individually to improving the infrastructure for local fiscal policy and regional administration strategy, namely, the project purpose.

- At the initial project planning stage, inputs matching the target outputs were not planned. In response, plans were revised to introduce pilot projects as an additional component for the particularly large regional administration, and to learn lessons from these which were necessary for formulating regional administration strategy.

(2) Problems related to the implementation process

- In 2006, Hamas won a landslide victory in the general election, and political turmoil ensued. This caused considerable delays to the progress of project activities. Furthermore, local elections and other state events, as well as the scheduled events of the counterpart, were frequently not implemented as planned. As a consequence, carrying out activities to plan was difficult. In response to this, in agreement with other parties, the Project was implemented, flexibly adjusting the timeframe, methods and other aspects of activity programs after consultation among the persons concerned.
- With respect to pilot projects, coordinating the procurement process and implementation and supervision systems took time. Furthermore, since they included construction work in Area C (districts under Israeli administrative and security control), getting land-use approval and authorization from Israel also took more time than expected. These were two factors in the considerable delays to project activities. Given that these required coordination with the Israeli government, approval and authorization ended up being granted during the project period while proceeding with arduous negotiations and coordinating action plans.

3-5 Conclusion

Although the pilot projects are yet to be concluded, the supplementary documents to the JC strategy proposal yet to be prepared, and the publicity activities for the JC strategy proposal yet to be implemented, the actual project purpose was achieved. Although there is room for improvement in terms of efficiency and sustainability, even taking the implementation process into account, it can be determined that the Project was conducted appropriately and was a success.

(1) General remarks on the evaluation results

The policy and strategy (two proposals) formulated during this Project and the training carried out were each conducted through working groups in collaboration with officials on the Palestinian side. Furthermore, through the pilot projects, needs assessments and so forth were carried out, involving not only central government ministries and agencies but also members from local governments. In this way, support along vertical lines such as “central government – joint councils (JC) – local governments,” along horizontal lines such as “multi-sector administrative support across local governments and joint councils,” and along crisscross lines such as “strengthening cooperative systems between local governments” were provided in a single project, and a large number of outputs were also realized beyond the framework of achieving the project purpose, for instance, direct collaboration with residents and the building of reciprocal relations along diverse lines like

those described above. The fact that this Project has left behind numerous outputs is recognized among persons concerned, including by the Palestinian government.

(2) Significance of implementing this Project

The greatest feature of this Project is that it supported the construction of administrative infrastructure in a region which is still to become independent as a state, that is, Palestine. It is expected that the two policy and strategy proposals produced in this Project will be incorporated into a three-year plan (2011-2013) which is currently being prepared to give concrete form to the Palestinian Authority Programme (two-year state-building plan) which was announced in August 2009. Furthermore, amid the difficult geopolitical situation in parts of Area C, an attempt was made to generate a relationship of trust by realizing construction projects and making efforts to connect the administration with local residents while continuing negotiations with the Israeli side. These are both immensely significant. Under the constraint of an interim self-government, it appears that for residents, who lack hope even for public services and who find even continuing to live in this region difficult, having achieved project implementation in Area C has, more than anything, brought them considerable hope. Through such efforts protecting the foundations of people's livelihoods, it can be determined that the cooperation provided did indeed contribute to human security.

(3) Extension of the Project period

Of the three components, with regard to the pilot projects which are activities related to the JC strategy, it was confirmed that it would be difficult to complete construction of a service center in the West-Central JC, construction of a kindergarten in the South JC and construction of a village office in al-Jiftlik by the conclusion of the Project in August 2010, in part, because of delays in procurement and preparations, as well as because of delays by Israel in issuing land-use permits. Given that pilot projects will also serve as important references for future regional administration projects and for providing grant aid for community development, it is hoped that all the processes leading up to completion will be able to be verified in full. Furthermore, given concerns about the worsening of the relationship between the MoLG, the project and residents brought about by any suspension of projects, the Project period for the three projects listed above shall be extended (until the end of December 2010) with an eye to their completion.

3-6 Recommendations (concrete measures, proposals, and advice concerning the project)

Local finance

- Prior to the conclusion of the Project, the MoLG needs to determine the priority order of activities listed in the action plan of the local fiscal policy, and it needs to commence discussions aimed at implementation.

Regional administration

- The MoLG needs to carefully observe trends in a large number of strategy proposals, etc. related to local government frameworks, including the JC strategy proposal formulated within the ministry, and it needs to make approaches as a project so that it can be

responsible for coordinating their consistency.

- Despite not all 15 pilot projects being completed during the Project period, the issues encountered and lessons learned from the pilot projects should be reflected as feedback in the supplementary documents to the JC strategy proposal. Given this, JICA needs to extend the Project period to December 2010, and continue to work on providing support for the pilot projects and preparing the supplementary documents to the JC strategy proposal.

Training

- The MoLG needs to make approaches as a project so that, in addition to considering the positioning and direction of training facilities (such as whether training for local government personnel should continue to be conducted by the MoLG in the future, or whether it should be performed by another organization), it can also consider the question of what to do with the current Jericho training facility.

3-7 Lessons learned (matters derived from this project that can serve as reference for the discovery, formation, implementation, or operation of other similar projects)

- As described in section 3-4, by taking three major independent issues related to local governance, such as local finance, regional administration and government employee training, and arranging them as components (outputs) of a single project, it was extremely difficult to generate connections and synergy effects from each of the outputs in a short period of time. One of the major reasons for this was that, during the project design stage, there was a lack of any viewpoint of what order of priority, what procedures and what schedule to use in resolving problems with respect to the major, nebulous issues facing the Palestinian side. In addition, the initial design had not incorporated sufficient inputs, and so during the Project, a structure was adopted of contributing to the project purpose by increasing the inputs for individual activities according to the scale of each activity in order for it to realize its outputs. In the future, however, when implementing technical cooperation projects in this area, attention should be paid from the planning stage as to the magnitude of each output as well as the project period and relevance.
- Under this Project, activities have been developed under the extremely broad goal of attempting institutional development and human resources development related to improving administrative functions in a region which is still to become independent as a state, namely, Palestine. Ever since the start of the Project in 2005, effects transpiring from the Project have been inhibited by a variety of external conditions. With projects like this in regions where state foundations are fragile, the chance of being affected by circumstances is much higher than projects in other regions, and so if conducted according to an evaluation based on a PDM as with other projects, the evaluation tends to be lower than usual. For example, as with this Project, there was no expectation of human resources being secured to act as experts, and the original plans became difficult during the project implementation stage thus requiring additional inputs. Such incidents are common, and so there is a strong possibility that the implementation budget will exceed normal levels. Moreover, of the five evaluation criteria, it is inevitable that effectiveness and efficiency will become fluid. Therefore, in order to conduct

evaluations that take this distinctive character into account, in addition to an evaluation based on the five evaluation criteria, a viewpoint is also needed which looks at the project from the perspective of the impacts produced by the project implementation process and by communication between the persons involved in the project. In addition, from the perspective of peace-building, it is also important to evaluate the relevance and impact, etc. of when the support commences, the content of the cooperation, the selection of beneficiaries and regions targeted for support as well as the implementation structure.