



Agenzia Italiana per la Cooperazione allo Sviluppo

**PALESTINE**

**SUPPORT TO THE REHABILITATION AND VALORISATION  
OF A PALESTINIAN LANDMARK:  
THE CHURCH OF NATIVITY - BETHLEHEM**

*Project Document*

Submitted by: Agenzia Italiana per la Cooperazione allo Sviluppo

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**B. ACRONIMS**

PCCN – Presidential Committee for the Restoration of the Church of Nativity

AICS - Italian Agency for Development Cooperation

NPA - National Policy Agenda

UNESCO - United Nation Educational Scientific and Cultural Organization

ICOMOS – International Council on Monuments and Sites

PNA - Palestinian National Authority

PNDP - Palestinian National Development Plan

NPA – National Policy Agenda

EUREP - European Commission Delegation in Jerusalem

ILO – International Labor Organization

TVET - Technical Vocational Education Training

PCBS - Palestinian Central Bureau of Statistics

MoTA - Ministry of Tourism and Antiquities

PTB - Palestine Tourism Board

EFA - Education for All

EDI - EFA Development Index

MoEHE - Ministry of Education and Higher Education

WHS – World Heritage Site

M&M - Monitoring and Maintenance

SC – Steering Committee

CCHP – Center for Cultural Heritage Preservation

CM – Construction Management team

| 1. GENERAL DATA ABOUT THE INITIATIVE |   |              |   |     |
|--------------------------------------|---|--------------|---|-----|
| <b>Country</b>                       | Palestine   |              |   |     |
| <b>Title</b>                         | SUPPORT TO THE REHABILITATION AND VALORISATION OF A PALESTINIAN LANDMARK: THE CHURCH OF NATIVITY - BETHLEHEM                                  |              |   |     |
| <b>Channel</b>                       | Bilaterale  |              |   |     |
| <b>Typology</b>                      | Grant   |              |   |     |
| <b>Proposing agency</b>              | Agenzia Italiana per la Cooperazione allo Sviluppo - Gerusalemme  |              |   |     |
| <b>Executing bodies</b>              | Agenzia Italiana per la Cooperazione allo Sviluppo – Gerusalemme, Presidential Committee for the Restoration of the Church of Nativity (PCCN) |              |   |     |
| <b>Implementing bodies</b>           | -   |              |   |     |
| <b>Duration</b>                      | 12 months   |              |   |     |
| <b>Total estimated cost</b>          | Euro  | 1.050.000,00 | % | 100 |
| <b>Financial share required</b>      | Euro  | -            | % | -   |
| <b>Other funding shares:</b>         |   |              |   |     |
| ▪ <i>Local partner</i>               | Euro  | -            | % | -   |
| ▪ <i>Others</i>                      | Euro  | -            | % | -   |

| 2. DESCRIPTION OF THE INITIATIVE   |  |
|--|--|
| <b>2.1 Project outline</b>   |  |
| <p>The proposal pursues the priorities that have been identified by the Palestinian “National Policy Agenda: 2017-2022” in Sustainable Development, contributing to “Implement initiatives to preserve and develop Palestine’s cultural heritage” and “Promote Palestine as a tourist destination”.</p> <p>The project proposal budget, EUR 1.050.000, intends to support the tourism economy in the Bethlehem Governorate and in West Bank and the development of its cultural heritage and spin-offs by increasing the value of the tourism attractiveness of a major landmark, the Church of Nativity. Therefore, this initiative will offer financial coverage to direct employment of local labour force that will be employed in the renovation and future preservation of the Church of Nativity, Palestine’s most relevant national heritage site which dates to the III century A.C. and which was inscribed in 2012 on UNESCO World Heritage List.</p> <p>Furthermore, the renovation will impact on capacity building at an individual and organisational level with a positive outcome in specialized employment perspectives in the overall cultural tourism sector in West Bank.</p> |  |

| <b>2.2 Budget</b> |   |                          |                            |   |
|-------------------|---|--------------------------|----------------------------|---|
| <b>N.</b>         | <b>Activities</b>   | <b>Costs (Euro)</b>      | <b>% sul Tot.</b>          |   |
|                   |   |                          | <b>Source of funds</b>     |   |
|                   |   |                          | <b>Italy-Funds in loco</b> | <b>Italy – Budget support (ex. Art. 7, L. 125/2014)</b> |
| <b>1</b>          | <b>Contributing to the preservation and conservation works at the Church of Nativity</b>  |                          |                            | <b>950.000,00 Euro</b>                                  |
|                   |   |                          |                            | <b>90,47%</b>   |
| 1.1               | Rehabilitation of 12 painted columns  |                          | 600.000,00 Euro            |   |
| 1.2               | Uncovering and restoring 21 mq of floor mosaic  |                          | 350.000,00 Euro            |   |
| <b>2</b>          | <b>Promoting and enforcing a preventive conservation approach</b>   | <b>55.000,00 Euro</b>    | <b>11.000,00 Euro</b>      | <b>6,30%</b>  |
| 2.1               | Elaborate an Integrated Conservation and Management Plan and a correlated training program  | 40.000,00 Euro           |                            |   |
| 2.2               | Training on-the job on Monitoring and Maintenance issues and methodologies  |                          | 11.000,00 Euro             |   |
| 2.3               | Training course on WHSs Conservation and Management Planning  | 15.000,00 Euro           |                            |   |
| <b>3</b>          | <b>Enhancing visibility and developing interpreting tools for the World Heritage Site</b>   | <b>17.000,00 Euro</b>    | <b>14.000 Euro</b>         | <b>2,95%</b>  |
| 3.1               | Elaborate a detailed and accessible account illustrating outstanding attributes of the Church, repairs implemented and repairs methodology adopted. |                          | 14.000,00 Euro             |   |
| 3.2               | Capacity building on Sustainable Tourism Management in WHSs: planning and training  | 11.000,00 Euro           |                            |   |
| 3.3               | Elaborating, editing, and printing an interpreting booklet about the Church of Nativity   | 6.000,00 Euro            |                            |   |
| <b>4</b>          | <b>Audit and running costs</b>  | <b>3.000,00 Euro</b>     |                            | <b>0,28%</b>  |
| 4.1               | Auditing  | 2.000,00 Euro            |                            |   |
| 4.2               | Costs for communication and logistic  | 1.000,00 Euro            |                            |   |
|                   | <b>Total breakdown per source</b>   | <b>75.000,00 Euro</b>    | <b>975.000,00 Euro</b>     |   |
|                   | <b>%</b>  | <b>7,15%</b>             | <b>92,85%</b>              |   |
|                   | <b>Total funds required</b>   | <b>1.050.000,00 Euro</b> |                            | <b>100%</b>   |

### 3. CONTEXT OF THE INITIATIVE

#### 3.1 Policies framework

The Italian Agency for Development Cooperation (AICS) is one of the main donors to the Palestinians and represents a privileged interlocutor to support the current balance of the Palestinian National Authority (PNA), promoting social-economic development in Palestine and ensuring adequate humanitarian intervention to protect the most vulnerable layers of the Palestinian population. In 2012, AICS has ratified the “Accordo Quadro di Cooperazione” (Rome, 23 November 2012) and fulfilled its commitments with the “Programma triennale di Cooperazione 2013 – 2015”, for a total budget of 30 million euro in direct donation and 30 million euro in aid credit. During the 2013-2015 triennium, AICS stuck to the commitments it had undertaken, doubling the financial contributions of donations and credit aid that it had promised. Furthermore, all the declared commitments undertaken with the “Cairo Conference” agreement (October 2014) on Gaza’s Reconstruction have been fully honored.

The “Palestinian National Development Plan” (PNDP) 2014-2016 has been offering the strategic reference framework for the sector-based development policies that PNA has promoted until 2016. In particular, according to a preliminary analysis of the political context and the provisions of the main macroeconomic variables (such as GDP growth rate and public support to development aid), the document identifies four crucial “pillars”: economic development and employment, good governance and institutions building, social protection and development, and infrastructure. The overall implementation of the PNDP 2014-16 has requested the deployment of financial resources that equal to one billion and a half USD in three years. Infrastructures represented the 28% of the total budget; 27% public services and social protection; 26% good governance; and, at last, 19% private economy.

In the last three months of 2015, the Prime Minister Office has undertaken a consultation process with the PNA Ministries and the donors’ community which was addressed to the formulation of the “National Policy Agenda” (NPA) 2017-2022. This programmatic document describes the national priorities for the next six years and has identified the three main pillars - “Path To Independence”, “Government Reform”, “Sustainable Development” – that should guide state building and development agenda.

At European level, coherently with the “Code of conduct on division of labour at a EU level”, Italy plays since 2013 a leading role in strategic coordination within the member States in the following sectors:

- HEALTH, as a “lead donor”
- GENDER, as a “lead donor”
- ECONOMIC DEVELOPMENT, as an “active donor”

Since 2016, in line with the Busan Forum on aid effectiveness and with the “EU Agenda for Change” of 2012, under the aegis of the European Commission Delegation in Jerusalem (EUREP), the member States are increasing their commitment toward a more synchronized and coordinated approach to development aid in Palestine. This joint process, that saw the formulation in 2013-2015 of sixteen “sector fishes”, will culminate in 2017 with the official inauguration of the “EU Joint Programming” which will represent the official reference guideline for any joint coordination.

It is in the light of this that in 2017 AICS wants to consolidate what has been fulfilled in the previous years in terms of aid concentration, harmonization, and division of the labor, and is willing to expand its activities in the sectors of economic development, health, and gender.

### **3.2 Context and needs analysis**

Palestinian economy suffers from prolonged stagnation, which is also exacerbated by political impasses. At an internal level, Hamas and Fatah's reconciliation process is deadlocked. The failure of the "Kerry Plan" for Israel and Palestine, the nonsuccess of the "Conference for Peace in the Middle East" sponsored in January 2017 by the French President François Hollande, the persisting impasse of the peace negotiations and the restrictive measures on free movement of goods, had all a negative and significant impact on Palestinian economy. Finally, the episodic wave of violence that has flared up since 2015 has affected the tourism sector, which is languishing even in the areas where it has traditionally been a booster for local economy, such as Bethlehem.

In 2016, the International Monetary Fund and the World Bank have confirmed the low estimation of growth for the Palestinian economy: real GDP growth in the West Bank slowed from 5.3 percent in 2014 to 2.5 percent in 2015, before picking up to 4.2 percent in Q1 2016, driven by private consumption and services<sup>1</sup>. The political uncertainty is translated into a low level of investment, worsening the unemployment rate which has been calculated into 26.9 percent at end-June 2016<sup>2</sup>.

#### **A - UNEMPLOYMENT AND LOW QUALITY JOBS**

The economic constraints that are caused by the increased political instability determine a fragile economic scenario where high unemployment plays a major role in determining socioeconomic exclusion and in fueling social unrest. Young people are the most exposed to the persisting job crisis, which affect not only higher unemployment and longer and more insecure school- to-work transitions, but also lower quality jobs and greater labor access inequalities among.

The ILO report<sup>3</sup> estimates that unemployment rate in the second quarter of 2016 stood at 26.9% (44.1% for women, 22.1% for men). Youth unemployment continues to be particularly severe, with the 42.6% of the 20-24 year-old being excluded from the labor market (55.2% for women, 38.9% for men, reflecting the remarkably limited involvement of young women in the labor market) (ILO, 2015). Even if in recent years the youth unemployment rate decreased from 37.0% in 2013 to 32.3% in 2015 (22.5% in the West Bank and 50.6% in Gaza), yet long-term unemployment is particularly pervasive. The share of unemployed youth that has been in this status for one year or longer, in fact, has been calculated into 54.8 per cent (55.8 per cent for young men and 53.0 per cent for young women).

Statistics from 2015 also confirm significant inequalities among different groups of young people. The unemployment rate, in fact, is still critically highest among better-educated young people, who suffer from a chronic lack of decent job opportunities. The unemployment rate for those who had completed only basic education was 26.8 per cent, compared with 42.9 per cent among tertiary graduates. At the same time, however, the results have underlined a lack of high quality jobs for the most educated young graduates: while 72.6 per cent of surveyed students stated a preference for a

<sup>1</sup> International Monetary Fund, Report to the Ad Hoc Liason Committee  
[<https://www.imf.org/~media/Files/.../2016WBGRR.ashx>]

<sup>2</sup> International Monetary Fund, Report to the Ad Hoc Liason Committee  
[<https://www.imf.org/~media/Files/.../2016WBGRR.ashx>]

<sup>3</sup> ILO Survey 2016 "Labour market transitions of young women and men in the Occupied Palestinian Territory. Results of the 2015 school-to-work transition survey"  
[[http://www.ilo.org/employment/areas/youth-employment/work-for-youth/publications/national-reports/WCMS\\_502366/lang--en/index.htm](http://www.ilo.org/employment/areas/youth-employment/work-for-youth/publications/national-reports/WCMS_502366/lang--en/index.htm)]



future career as a “professional”, only 10.1 per cent of employed youth were currently engaged in a professional occupation.

In addition to that, most of the employed youth are working as wage or salaried workers, albeit under conditions of informality. Only 24.5 per cent of employees benefitted from a written contractual agreement, when other agreements happen to be only oral. More than 50 per cent of young wage workers earned less than the minimum wage set by the Palestinian Authority in 2012.

Recognizing the urgency of the unemployment situation, the PNA has increased the number of key national policies into the “NPA 2017-2022” goals that should favorably work to create new job opportunities. These measures include expanding the Palestinian Employment Fund, expediting job creation through public-private partnerships, developing job creation programs for graduates, and ensuring a safe work environment through application of health and occupational safety standards.

Furthermore, the PNA has indicated the need for an easiest transition from education to employment and has developed a coherent framework to promote decent work for youth, which include aligning the “Technical Vocational Education Training” (TVET) and higher education with development and labor market needs, upgrading TVET infrastructure and facilities, and strengthening Palestine's science and research capacity.

Furthermore, the PNA seeks to rebuild Palestine's productive sectors by focusing on the policy elements under its control, which include manufacturing, agriculture, and tourism, and to attract domestic and foreign direct investment, through the expansion of international trade, the investments in strategic infrastructure, and the strengthening the financial sector's role in supporting private sector growth.

#### B – THE CONSTRAINTS OF THE TOURISM MARKET

Despite the numerous assets that Palestine can offer – natural sites, holy sites, cultural sites -, the development of this industry is limited by several constraints. The perception of Palestine as a dangerous place prevent many foreign tourists to plan their visit to the region. In addition to that, the impossibility for the PNA to control its borders and accesses due to the Israeli occupation is a serious limitation to the development of the industry's full potential.

Since the end of the so-called Second Intifada, tourism has been making an increasing and steady contribution to national wealth since 2005 and at the end of 2013 it contributed to the 14% of GDP, an increase of 5 % since 2007<sup>4</sup>. Nevertheless, the episodic wave of violence that have affected Jerusalem and the West Bank at the end of 2015 seems to have inverted this positive trend, while indicators from the Third Quarter of 2016 seem to indicate a partial recovery: according to the Palestinian Central Bureau of Statistics (PCBS)<sup>5</sup>, the number of guests in the third quarter of 2015 were 7.3% lower than in the third quarter of 2016.

Approximately 50% of the State of Palestine's tourism revenues come from domestic tourism, which is particularly supported by the Palestinians living in Israel. Of the other 50 %, 85 % of those revenues result from international visitors coming for pilgrimage. Christian pilgrimages represent Palestinian main tourism offer, but the margins are generally smaller not only for the low budget travel program adopted by those visitors, but also because different churches generally have their own accommodation facilities to welcome their followers. Religious tourism is also influenced by religious feasts, and their high-seasonable fluctuations pose real challenges to tourism service providers. Furthermore, it is important to point out that most the tour operators working in the Bethlehem area are directly managed by Israeli companies, thus reducing the profit margins for the Palestinians.

4 The State of Palestine National Export Strategy Tourism Sector Export Strategy 2014 -2018  
[<https://www.paltrade.org/upload/multimedia/admin/2014/10/5448e8c6d8011.pdf>]

5 Hotel Activities in the West Bank, Palestinian Central Bureau of Statistics (Third Quarter Report, 2016)  
[<http://www.pcbs.gov.ps/Downloads/book2232.pdf>]

In addition to the travel agencies and accommodation, other enterprises related to handicraft, retail and souvenir shops, restaurants, passenger road transport and visitor assistance services, operate within the tourism service sector. Always according to PCBS, these support services represent more than 4,735 enterprises employing approximately 50,000 people.

Thus, both the Ministry of Tourism and Antiquities (MoTA) and the Palestine Tourism Board (PTB), established in 2010 as a public-private partnership and entered into an operational level in 2015, are currently working on significantly broaden their focus and strategically to expand the tourism offer in terms of products and target markets to provide a tailored offer and a broader quality service to different types of tourism service consumers, which include Palestinian diaspora, Muslim markets (including pilgrimages and business visitors), cultural tourism, ecotourism, political/solidarity tourism, both in the form of organized tours or fully independent travelers. As to a cultural heritage-focused tourism industry, the effort to network the existing cultural services (concerts, music festivals, art exhibitions, cultural events, etc.) and to bundle them with the schedule of pilgrims, business travelers or independent travelers proves to offer positive potential spillovers for the sector.

As to the local level, it's important to underline in the medium term a major cultural event is offering a good opportunity to relaunch Bethlehem's visibility on an international scale. Ten years later, the Church of Nativity's great tourism potential finds an opportunity to be significantly accomplished. The City of Bethlehem has been candidate as "Capital of Culture for the Arab World 2020" and a "National Preparatory Committee" has been working on its nomination since 2015. Taken by the Arab League under the UNESCO's "Cultural Capitals" program, "The Capital of Culture for the Arab World" initiative is a significant opportunity not only to promote cooperation among the Arab players in the region, but also to favor tourism from the Arab countries and the networking among all the cultural players that already operate in West Bank (in line with the MoTA and PTB's directions).

#### C – CULTURAL ECONOMY

Culture in Palestine has always represented a means to oppose to the Israeli occupation and to obstruct its attempts to obliterate Palestinian identity. The absence of a clear governance in the cultural economic sector, an inadequate institutional and legal framework, and serious lack of funding have always prevented decision makers to conceive as culture as resource to capitalize on.

Nevertheless, in the last years the PNA has intensified its efforts to conceive culture not only as a political tool, but also as a valuable means to develop its economy. Already included by the "NPA"s 2011-2013 and 2014-2016, the protection and promotion of Palestinian cultural heritage has been highlighted in the "NPA 2017-2011" as an asset for economic development. In that respect, the "Resilient Community : Preserving Our National Identity and Cultural Heritage" entry of the Economic Development pillar highlights four strategic objectives that are addressed to:

- Support cultural innovation and production
- Implement initiatives to preserve and develop Palestine's cultural heritage
- Develop traditional handicrafts
- Promote Palestine as a tourist destination.

The synergy of the four levels builds a solid framework which underlines the win-win relationship that heritage, cultural tourism and economic development can establish when an adequate cultural heritage site valorization is put in place. Furthermore, this synergy contributes to highlight the relevance of cultural heritage as a source of identity and cohesion for those communities that are disrupted by occupation and economic instability.

As to the current perspectives for cultural heritage valorization in Palestine, however, the lack of access in Area C and H2 (the sector of Hebron under Israeli military control) prevents PNA from assuming a full role in the effective conservation and management to those cultural heritage sites

located which are located in these areas and, at present, prevents skilled labor force to have access to these sites' management.

On a legislative level, the PNA has started in 2011 to review its legal and regulatory framework in the field of cultural heritage protection, ratifying international conventions and aligning to international standards. In May 2017 a draft of a New comprehensive Law on Historical Heritage protection, elaborated by MoTA with the support of UNESCO, has been deposited at the Prime Minister Cabinet. Among others, the new law is proposing a structured framework for the management of historical sites and archaeological areas upon which only MoTA will be responsible for coordinating actions to ensure preservation and management of cultural properties.

After ratifying the Six UNESCO Cultural Conventions, the PNA has signed the World Heritage Convention which opened the way to the inscription on the UNESCO World Heritage List of the two first Palestinian sites, the Church of the Nativity, and the Pilgrimage Route (Bethlehem) and the Land of Olives and Vines - Cultural Landscape of Southern Jerusalem (Battir). Both sites have been subject of an emergency nomination for inscription to the UNESCO WHS list in January 2011, since they were considered to have greatly suffered from the lack of proper maintenance and repair because of the political situation in the area and in the region since 1967 and from the difficulties in the provision of materials and equipment because of the lack of free movement. In 2012 the Church of Nativity was officially inscribed on the World Heritage List and on the List of World Heritage in Danger simultaneously. In 2015 the World Heritage Committee adopted a Desired State of Conservation (DSOCR) for the removal of the property from the List of World Heritage in Danger and the necessary corrective measures have been highlighted. Among them the need to provide the property with an Integrated Conservation Plan, to guide present and future interventions in the Church, has been urged. Indeed the designation at UNESCO is an added value worth to be retained entailing important socio-economic opportunities and benefits being potentially a catalyst for effective conservation, civic pride, social capital, learning and education, additional funding and investment, tourism and economic development.

#### 4. SCOPE OF THE INITIATIVE

##### 4.1 Objectives, strategy and approach

The Church of the Nativity can be considered the most relevant heritage site located in the Palestinian territories and one of its major cultural and tourist attraction, as the inscription in the UNESCO World Heritage List indicates. The first church was built under the rule of the Roman emperor Constantine on the site that had been identified since the 2nd century as the birthplace of Jesus of Nazareth. Later destroyed by a fire in the 6th century, the church was immediately rebuilt under Justinian. Today, the building presents itself as an agglomeration of different ecclesiastic annexes that were added to the Justinian's complex during the centuries. After the Berlin Treat in 1878, the Church of Nativity has been ruled by Greek Orthodox Patriarchate, the Terra Santa Custody of Holy Land, and the Armenian Orthodox Patriarchate under the provision of the *Status Quo of the Holy Places*, which is still in force. Today, the church is venerated by Christians of all confessions – also being the oldest Christian church in daily use - and is visited from all over the world because of its unique architectonic and artistic relevance.

After the establishment of the PNA, the PCCN was founded in 2008 by a Presidential decree with the mandate to carry out a scientific restoration program for the church, which had never been systematically renovated before. After coordinating and getting approval from all the ruling Churches, an international bid for the assessment study was launched in August 2009. The contract was awarded in June 2010 to an international consortium of Italian universities and

research centers headed by “Consorzio Ferrara Ricerche”, whose final Conservation Plan was submitted in February 2011.

After a thorough evaluation of the available funds, the PCCN decided to renovate the Nativity church’s roof and windows only in the first stage. In light of that decision, the consortium put together a pre-qualification document and tendering package. An international restoration bid was launched in April 2013 for the most urgent works and on July 22, 2013 the PCCN awarded the contract to the specialized Italian restoration contractor - Piacenti s.p.a. – one of the four international contractors who participated in the tender. Moreover, the committee decided to award the project’s construction management to CDG and Consortium who prepared the final report study of the Nativity Church’s restoration. On August 26, 2013 the Construction contract of the roof and windows restoration - which is in the amount of 1.93 million Euro - was signed between the Committee’s Chairman Minister Ziad Albandak and the winning contractor in a ceremony held in the Presidential Palace - Bethlehem in the presence of Dr. Rami Al Hamdallah - the Palestinian Prime Minister, the three churches representatives and other ministers and officials. The restoration of the roofs and windows, later indicated as “Phase I” of the restoration, started officially in September 2013 and was completed in March 2015.

Up until January 2017, additional funding has been secured by the PCCN from a list of 26 donors - which includes States, Cooperation Agencies, Churches, banks and investment funds, and private donors - to keep on working on the renovation according to a list of priorities and the available funds.

After the completion of the roof and the windows, the restoration works have included the consolidation of the narthex damaged vaults the wooden & metal doors of the basilica (“Phase II”) completed in March 2015, the external stone facades (west façade, completed in December 2016), the wooden architraves, the internal wall plastering, the wall mosaics (“Phase III”, restoration completed in June 2016), and two Basilica stone column along with its paints. Recently, the installation of lighting and fire detection systems have been added to the contract. These works (Phase II and III) had raised the amount of the signed contract with Piacenti S.p.A. to 6,32 million Euros.

In October 2016, the PCCN resumed the restoration of the external stone facades, that were not included in the first assessment plan, because of new infiltrations that have been damaging the internal wall plastering. The stone restoration works were completed at all Church facades except the Southern façade which is still under restoration and planned to be completed by the end of September 2017.. The latest additional authorized works had raised the amount of the signed contract between the PCCN and Piacenti S.p.A. to around 9.0 million Euros<sup>6</sup>.

According to the Restoration Program Report it is necessary to secure additional 4.8 Million Euro to finance the remaining priority works to complete the restoration of the WH Property:

- Restoration of the Church columns including their capital, base and painted shafts (18 painted, 18 plain columns)
- Restoration of the floor mosaic.
- Restoration of the internal stone floor (1274 mq of stone tiles).

Between 2012 and 2015 UNESCO and ICOMOS performed several monitoring visits to examine the state of conservation of the property (nominated in 2012 in the WHL) and the quality of the restoration works performed. Following the visits, it has been urged by the experts the need to submit an Integrated Conservation Plan for the Church guiding and systematizing present and future restoration works, to reach the desired state of conservation and allow the removal of the property from the List of World Heritage Sites in danger. PCCN, MoTA, CCHP and the Bethlehem Municipality WHS Unit show to be committed and keen to work consistently in the coming years to mobilize all necessary human and financial resources to abide to UNESCO/ICOMOS recommendations. An MoU signed by the above mentioned parties in April 2017 (attached as Annex 4) has enforced the establishment of a Steering Committee with the purpose of elaborating a comprehensive Conservation and Management Plan of the WHS site.

<sup>6</sup> Progress Report #45 from the PCCN for the Restoration of the Nativity Church, 11 January 2017

The main scope of the present project proposal is twofold: the rehabilitation of an important part of the Church's stone columns and the floor mosaic and the elaboration of an Integrated Conservation and Management Plan and consistent related Training Program. The rehabilitation works concern the restoration of approximately 12 painted columns of the Basilica and 21 mq of exposed and hidden floor mosaic located within a working area of 35.6 mq. The implementation of the proposed works require a high level peculiar professionalism and specialized skill which is not present nowadays in the country being this the first historical monument in Palestine undergoing a such integrated conservative intervention. In this respect, in accordance with the recommendations done by UNESCO/ICOMOS, the project aims as well at providing the Church of Nativity with an Integrated Conservation Plan on the base of which correlated training courses will be activated to build the capacity of local professionals on elaborating, enforcing and updating Conservation and Management Plans for Historical Sites and perform maintenance and conservation interventions in accordance with best practices. The professional trainings activities and the conservation planning exercise proposed are complementary and inseparable actions which play a paramount role in the project rationale being the precondition, as stated by UNESCO and ICOMOS, to remove the property from the endangered sites list and do not lose the designation of WHS.

#### **4.2 Overall objective**

Overall objective of the initiative is to contribute to foster economic development in the tourism sector in Bethlehem Governorate and the West Bank by supporting, highly added value sectors such as restoration of historical monuments and services to visitors.

This project proposal is meant to contribute to the achievement of the strategic objectives indicated in the "National Policy Agenda" (NPA) 2017-2022" under the "Sustainable Economy" pillar:

- National Priority "ECONOMIC INDEPENDENCE CREATING JOB OPPORTUNITIES":
  - Develop job creation programs for graduates
- National Priority "RESILIENT COMMUNITIES | PRESERVING OUR NATIONAL IDENTITY AND CULTURAL HERITAGE":
  - Support cultural innovation and production
  - Implement initiatives to preserve and develop Palestine's cultural heritage
  - Promote Palestine as a tourist destination

#### **4.3 Specific Objective**

Specific objective of the project is to enhance visibility and accessibility of the most outstanding landmark of Bethlehem supporting the conservation and contributing to its management.

The completion of the accessories works to the restoration of the Nativity Church and the elaboration of a consistent plan promoting an integrated conservation approach will be a growth booster for the overall tourism industry (with a particular reference to accommodation services, tours operators and guides, handicrafts workshops and shops), that could benefit from the number of visitors increase. Furthermore, the retention of the UNESCO WHS designation, which is bounded to the submission of a proper Conservation and Management Plan of the site by February 2018, entails important socio-economic opportunities and benefits being potentially a catalyst for tourism and economic development. The Basilica's restoration accomplishment will also increase the chances of a nominee confirmation for the "Capital of Culture for the Arab

World 2020". Indeed the employment opportunities for the local community will be higher if the renovation of Bethlehem's major tourist asset will be completed and its cultural uniqueness will be promoted as one of the pillars of City's marketing & communication campaign.

#### 4.4 Beneficiaries

Direct beneficiaries of the project will be:

- **10.800 persons in total** part of the Greek Orthodox Patriarchate, Armenian Orthodox Patriarchate and Custody of Holy Land's clergy and scholars community
- **430 people/weekly** of the local Bethlehem worshippers community of the 3 Churches which will benefit of the improved accessibility following the removal of scaffolding and the systematisation of visitors tours
- **800.000 tourists and pilgrims (average per year)** which will enjoy a breath-taking aesthetic and spiritual experience
- **15 engineers/architects** will be trained on M&M issues and methodologies
- **10 skilled labourers** will be trained on conservative maintenance of wooden elements, lead roofing elements, internal lime plasters, wall and floor mosaics
- **15 architects/conservationists** will be trained on WHSs and Historical Sites Conservation and Management Plans elaboration, monitoring and updating
- **15 architects/conservationists** will be trained on Sustainable Tourism Development in WHSs

Indirect beneficiaries of the project will be:

**1830** tourism related **economic activities** in Bethlehem related to tourism (services and trade) which will benefit of positive externalities generated by the enhance of attractiveness of the Nativity Church and the consequent increase in the number of tourists/year visiting the Holy Place

The Municipality of Bethlehem and the **3000 inhabitants** of its historical centre which will benefit of the safeguarding of the outstanding universal value of the Property and the maintenance of the WHS List nomination

#### 4.5 Activities

The activities below listed have been formulated on the base of the document prepared by the Presidential National Committee "Restoration of the Church of Nativity Bethlehem: Unfunded future works", the "State of Conservation Report" submitted in January 2017 by the MoTA and following the suggestions contained in the Decision 40COM 74.14 part of the document "State of Conservation of properties inscribed in the list of World Heritage in danger" elaborated by ICOMOS' Advisory Board.

##### Activity 1

Contributing to the preservation and conservation works at the Church of Nativity

The action aims to rehabilitate approximately 12 painted columns located in the Basilica of the Church of Nativity and to restore around 21 mq (Already exposed and expected hidden mosaic) of floor mosaic in the central nave

The basilica contains 50 columns in total, out of which 32 present Crusader period paints. At present the paints can be barely seen due to the deposit of incoherent and coherent material and the presence of unsuitable filling material used for restoration in past interventions. The restoration shall bring the columns back to their original appearance and shine as much as possible.

The IV century mosaic floor of the Church is about 80 cm below the actual Church's floor finished level. The remains of the marvellous mosaic floor of the Constantine's Church of the (IVth century) are at present covered, small portions of the mosaic can be seen through two narrow and obsolete openings. The intervention is meant to enlarge and regularise the portion of floor mosaic already uncovered and visible today (15 mq) at the proposed working area at central nave and provide a safe protective structure to allow the visitors enjoying the outstanding portion of the mosaic carpet. The PCCN will oversee along with the Construction Management (CM) local experts and their joint venture international experts the coordination of the restoration activities which will be implemented according to the best practices by the current PCCN restoration international experts and practitioners part of current contractor.

**A1.1 Rehabilitation of 12 painted columns.** The restoration works will be performed on the capitals, the columns and its painted surface and the bases. Skilled restorers and specialised technicians, part of PCCN current contractor team, will proceed by: performing diagnostic analysis and a mapping of each element to detect the state of conservation; implementing a high resolution photographic documentation; cleaning and consolidating; restoring pictorial surfaces and applying final protection finishing.

**A1.2 Uncovering and restoring 21 mq of floor mosaic.** At present the 16 mq of the floor mosaic can be barely seen through obsolete wooden openings which are opened for visitors upon request. The lack of a lighting system, the scarce state of conservation of the floor mosaic and the narrow openings do not allow a proper view. The activity entails the removal of the existing wooden openings, the excavation of additional 5 mq of mosaic floor to enlarge and regularise the visible area, detecting the state of conservation and techniques of execution, performing a photographic documentation and mapping, disinfection, cleaning and restoring tesserae cohesion. Installation of a protective system to allow protection of the mosaic to prevent damages to the uncovered and restored mosaic floor and allow a safe and enjoyable aesthetic experience to visitors.

Main output of the activities is the preservation and enhancement of the authenticity and outstanding value of the World Heritage Property. By addressing the conservation of a unique historical monument, intervening on two important elements such as the columns and the floor mosaic, the Action is expected to contribute to improve the attractiveness for visitors and to generate positive externalities for tourism-related income generating activities.

In a long term the action might contribute to change the attitude of the local people toward the value of cultural and vernacular heritage and the importance of its conservation as a mean of preserving and valorising local culture and identity.

## **Activity 2**

### **Promoting and enforcing a preventive conservation approach**

Objective of the activity is to contribute to the sustainable conservation of the WHS' authenticity and to a cost-effective management by defining a common path for preservation. The enforcement of an integrated plan shall ensure that new interventions are carried out in the respect of the outstanding universal value of the Property. A specific knowledge on preventive conservation principles will be built among involved professionals and skilled labourers through on-the-job training courses held by experienced experts. The training courses will be addressed to young professionals from Bethlehem and the West Bank selected with the support of the Steering Committee (see below paragraph 5.2) and AICS to ensure commitment of the participants and ownership of the activities among sectoral institutions.

**A2.1 Elaborate an Integrated Conservation and Management Plan of the Church of Nativity Site and a correlated training program.** The IC Plan shall include in particular: a Site Management Plan, a Monitoring and Maintenance Plan with a detailed definition of issues, policies and immediate actions to be undertaken related to the actual condition of the fabric and a Risk Preparedness Plan focusing on fire detection, prevention and protection, seismic protection, environmental conditions monitoring.

**A 2.2 Training on-the job on Monitoring and Maintenance issues and methodologies.** The applied training course will be performed on the Church of the Nativity site. Selected young local professionals (architects, conservationists, engineers) and skilled laborers from institutional and non-governmental institutions and the private sector, will have the chance to learn by doing under the guidance of a team of experts and the team of conservationists of Piacenti. The course will focus mainly on M&M of: wooden elements, lead roof, wall and floor mosaic and plaster and pointing. The PCCN under the guidance of the SC will oversee the coordination and implementation of the activity.

**A 2.3 Training course on WHSs Conservation and Management Plans elaboration, implementation, monitoring and updating.** The course is addressed to selected young professionals from sectoral NGOs, Bethlehem Municipality Cultural Heritage Unit, MoTA, UNESCO Ramallah office and other relevant institutions identified with the support of the Steering Committee and AICS

The enforcement of an Integrated Conservation and Management Plan will contribute to preserve the authenticity of the monument and avoid the risk for the property to be removed from the WHS list. The Nativity Church is at present inscribed in the Endangered List and consistent actions shall be undertaken to keep the inscription which is indeed contributing to increase the international visibility of the site as touristic attraction and to generate positive externalities in all tourism satellite activities.

In addition to that a cost-effective management based on a preventive conservation model will ensure economic sustainability and avoid financial strain on the Property's ruling Churches and bodies.

Training courses and planning activities proposed are indeed complementary and interconnected. Trainings programs shall be based on the findings and recommendations identified through the analysis and data elaboration exercise done during the Integrated Conservation and Management Planning process.

### **Activity 3**

#### **Enhancing visibility and developing interpreting tools for the World Heritage Site**

Action 3 is deemed to formulate an accessible and structured account about the Church of Nativity archaeology and about the restoration works performed in the centuries and recently at the WHS. The document will be integrated into the Conservation Plan (Activity 2.1) and it will be elaborated using and valorising all documents and images collected during Phase I and II of the conservation works. In addition to that, a capacity building program will be activated with the aim of mitigate adverse impact of mass tourism on WHS properties and address positively the externalities of the tourism market.

**A 3.1 Elaborate a detailed and accessible account illustrating outstanding attributes of the Church, repairs implemented and repairs methodology adopted.** The research is meant to illustrate detailed investigative surveys performed; to state of significance of various elements and attributes conveying the Outstanding Universal Value (OUV) of the WH site; to show evidences on which works have been based, decisions made and precise works undertaken to minimize interventions to historic fabric

**A 3.2 Capacity building on Sustainable Tourism Management in WHSs: planning and training.** The course is addressed to selected young professionals (sectoral NGOs and/or staff with a technical profile of Bethlehem Municipality Cultural Heritage Unit and the MoTA) identified with the support of the Steering Committee and AICS and using the UNESCO World Heritage and Sustainable Tourism Programme for the Development of a Sustainable Tourism Policy and Strategy, which will be an integrated part of the WHS management plan



### **A 3.3 Editing an interpreting booklet for tourists about the World Heritage Site**

A short visitors-friendly booklet will be edited and printed out in at least 3 languages. Editing of the booklet will be done by competent experts of the local NGO appointed by AICS under the guidance of the Steering Committee. A graphic designer studio will be in charge of the layout and printing.

The activities are expected to have a direct impact on the cultural and aesthetic experience that tourists can enjoy hence increasing the visibility and charm of the property as living monument must-to-see for pilgrims and visitors. In a medium term the increased attractiveness might encourage visitors to spend more days in the area contributing to revitalize the suffering local economy related to tourism and becoming a boost for the cultural industry of Bethlehem.

#### **Activity 4**

##### **Auditing and Running costs**

The projects activities will be audited by an independent Chartered Accountant in accordance with internationally accepted audit standards to ensure compliance with procedures and to document the transparency in the management of funds. Proper visibility to the action will be ensured.

4.1 Performing a final Financial Audit

4.2 Costs for communication and logistic

#### ***4.6 Expected results and indicators***

##### **Expected Result 1**

Authenticity and outstanding value of the World Heritage Property are enhanced and preserved

- At least 12 columns (capitals, shafts, and bases) of the Basilica of the Nativity Church are rehabilitated: increase, after 12 months from the beginning of project activities, of approximately 24% in the number of rehabilitated columns in respect to the baseline data measured in July 2017 (baseline data July 2017: 36 out of 50 columns are not rehabilitated)
- 21 mq of floor mosaic in the central nave are restored including 16 mq already uncovered and 5 mq hidden: increase of 100% in mosaic floor restored after 12 months the beginning of project activities in respect to the baseline data measured in July 2017 (baseline data July 2017: 0 mq of restored floor mosaic)
- scaffolding around central nave columns are removed by the end of the project and accessibility to the Church for visitors and pilgrims is improved: at least 24% of the scaffolding in the central nave is removed by the end of the project

##### **Expected Result 2**

A cost effective and sustainable management of the World Heritage site are ensured with the full approval of the 3 ruling Churches

- 15 local engineers/architect are trained on M&M within 6 months from the beginning of project activities: increase of 100% in the quantity of engineers trained on M&M in respect to the quantity surveyed in 2017 (0 skilled engineer trained in M&M)
- M&M agreement is expected to be signed with at least 1 trusted and trained engineers' office/consultant by the concerned Churches within 12 months from the beginning of project activities
- At least 10 skilled workers are trained on the job for the maintenance of: lead elements, wooden archives, mosaics, and plasters within 6 months from the beginning of project activities: increase of 100% in the quantity of skilled workers trained on M&M in respect to the quantity surveyed in 2017 (0 skilled workers trained in M&M)
- At least 15 young professionals from all over Palestine belonging to sectoral NGOs, the WHS's Unit at Bethlehem Municipality and the MoTA have been trained on Preventive Conservation

**Expected Result 3**

Accessibility and visibility of one of the most important historical landmark of Palestine is enhanced and cultural and aesthetic experience of visitors and pilgrims is enriched

- 1 report illustrating outstanding attributes and works implemented in the Church of Nativity is elaborated within 4 months from the beginning of project activities
- 1000 copies of a booklet to be distributed about the history of the Church of Nativity fabric evolution are printed within 6 months from the beginning of project activities

In a medium-long term the achievement of the above mentioned expected results should promote:

- a % reduction on the annual maintenance costs of the Church
- a % increase the number of visitors of the Church of Nativity within 3 years after the completion of works
- a quantitative and qualitative increase in rehabilitation projects of other historical monuments and buildings in Bethlehem area

**4.7 Duration**

Project foreseen duration is 12 months.

**5. METHODO STATEMENT****5.1 Funding partners and methodology**

The funds requested are:

EUR 975.000,00 Euro as budget support

EUR 75.000,00 Euro as "*fondo in loco*" funds directly managed by AICS

**5.2 Responsibility of execution**

In April 2017 the relevant parties involved in the rehabilitation works of the Church of Nativity established a **Steering Committee (SC)** participated by representatives of: PCCN, MoTA, CCHP and Bethlehem Municipality (see Annex 4). The SC has been created with the aim of facilitating the preparation of a Conservation and Management Plan for the UNESCO designated site as to ensure effective management, protection and conservation of the WHS.

Within the framework of the present project AICS will work in cooperation with the SC to address an overall coordination of project activities and ensure a methodological guidance and validation for what concerns the project soft component of planning and training activities. The Steering Committee in coordination with AICS will approve workplans, validate actions' terms of reference to ensure timely sound and high qualitative accomplishment of expected results and supervise the selection of trainings candidates to ensure commitment of participants and optimise the learning opportunity for the entire national community of sectoral practitioners.

#### Budget support component

The responsibility of the technical execution and financial management of the budget support funds, i.e. **Activities A1.1, A1.2, A2.2 and A3.1** (975.000,00 euro in total) **is on the PCCN.**

The PCCN was established in 2008 with the blessing of the three Churches and a mandate to carry out a scientific restoration program of the Holy Church. Between August 2009 and October 2016, the Presidential Committee has organized, fund raised and managed the restoration works appointing through transparent bidding procedures external international consultants for the assessment and auditing phase, a high profile international company specialized on restoration works namely Piacenti S.p.A and a Bethlehem based engineering Company, Community Development Group supported by the international experts who jointly prepared the Church restoration final report at the study stage, in charge of works management and supervision.

The total amount of the contract for the accessories works related to the superficial restoration of the columns and the cleaning of the IV century floor mosaic, proposed within the present project proposal, is 950.000,00 Euro which is less than the 20% of the contract signed with Piacenti S.p.A. for Phase I, II and III. Therefore, according to the Palestinian Regulations for Bidding Procedures the PCCN can proceed by awarding the contract directly to Piacenti S.p.A. without opening another International Bidding procedure. It is worth to note that the possibility to avoid recurring to additional Bid shall guarantee: a cost effective implementation of works preventing the removal of scaffolding; the maintenance of high standard in the quality of works executed; and the daily access to all parts of the Church for the whole duration of the restoration works to the pilgrims as officially requested and agreed with the three ruling Churches. Other European Country, such as France and the Check Republic, have applied similar procedures in the recent past for their interventions of cooperation.

In addition to the budget support dedicated to the implementation of the mentioned accessories works, an additional fund of 25.000,00 Euro will be managed by PCCN to coordinate the execution of training and planning activities which implementation require a prior agreement with the 3 Ruling Churches. The PCCN will play an important role in coordinating with the 3 Churches the access to site of practitioners to be trained on the job (A2.2) and the possibility to consult historical documents, maps and chronicles and perform surveys of the property to elaborate the technical document illustrating values and history of the Church fabric (A3.1).

#### Directly Managed Funds (*fondi in loco*)

The responsibility of the technical execution and financial management of the Directly Mngaged Funds, i.e **Activities A2.1, A2.3, A3.2, A3.3, A4.1 and A4.2** is on AICS.

The total amount of 72.000,00 Euro is meant to support the preparation of an Integrated Conservation and Management Plan and correlated Training Program. AICS will contract, following EU procedures for service contracts and under the guidance of the Steering Committee, a local NGO specialised in Cultural Heritage related projects to elaborate a Conservation and Management Plan for the Church of Nativity (A2.1), to build the capacity activities of young Palestinian professionals belonging to governmental and non-governmental relevant institutions and to the private sector on WHSs preventive conservation and management principles and sustainable tourism development (A2.1, A2.3, A3.2, A3.3)

The remaining amount of 3.000,00 Euro will be used by AICS to perform marginal activities for the final financial audit (A4.1) and communication and transportation costs (A4.2).

### **5.3 Executive framework**

The proposed initiative will be formalized by a Technical Agreement between the Palestinian Ministry of Finance and Planning (MoFP), on behalf of the PNA and, AICS on behalf of the Italian

Government. The Technical Agreement and Annexes will define modalities and procedures for management, disbursement, procurement, monitoring, evaluation, and reporting. It states the share of budget managed directly by AICS (fondo in loco) and funds granted as budget support to the MoFP.

An Advisory Committee (AC) will be established by the parties and it will be composed by representatives of the MoFP, representative of the Palestinian Presidential National Committee and AICS. The AC will be held at least on a four-months basis.

The budget support funds will be transferred according to the following scheme:

- Once the Technical Agreement is signed, the MoFP requests to AICS to transfer the budget support funds (975.000,00 Euro)
- The Presidential Committee shall prepare and submit a Biannual Work Plan with the technical assistance of AICS
- The AC shall approve the Biannual Work Plan
- Once the approval to the Biannual Work Plan is received, the MoFP will transfer the money to Special Account ("single treasury account") opened by/for the PCCN

At the end of the project the PCCN will submit to AICS Jerusalem Office final technical and financial reports describing activities and related costs. The technical report shall in addition evaluate the impact of the initiative and describe achievement of results through mentioned measurable indicators. The MoFP will submit to AICS at the closure of the project an external financial auditing report.

#### **5.4 Implementation approach**

In principle a participative approach will be adopted in the implementation of all project's actions to ensure a full ownership of achieved results by the main stakeholders and promote long term sustainability to the activities performed. To ensure a consistent and coherent methodological approach and enhance the multiplier impact at national level of capacity building activities (i.e. training and planning activities) it is proposed the involvement of the already existing Steering Committee participated by: PCCN, MoTA, CCHP and Municipality of Bethlehem. The SC has been created by the mentioned partners in April 2017 (see Annex 4) with the aim of addressing the preparation of the Conservation and Management plan of the WHS. The SC will have the role of addressing formulation of workplans, elaboration of terms of reference of all project activities and supervising and validating trainings participants lists related to the project soft components only.

##### **Activity 1 - Contributing to the preservation and conservation works at the Church of Nativity**

The Activity will be implemented by transferring the mentioned funds to the PCCN which will provide to appoint, following the local Bidding Procedures, Piacenti S.p.A. for the implementation of works related to the restoration of the columns in the central nave and the uncover and restoration of floor mosaic.

The local Engineering Company CDG, appointed by the PCCN, will oversee project Management and Supervision of works.

##### **Activity 2 - Promoting and enforcing a preventive conservation approach**

A sectoral local NGO, appointed by AICS following EU procurement procedures for service contracts, will coordinate and implement Activities A2.1 and A2.3 through the involvement of skilled national and international experts. The PCCN and all parties involved in the restoration works will cooperate and contribute to the elaboration of the Plan by sharing all information and data developed in the previous phases of the restoration works. Optimisation of resources and data will be the key for a successful achievement of expected results with high quality standards. 15 young local professionals belonging to governmental, non-governmental institutions and the private sector will be selected under the guidance of the SC to participate to the training on Conservation and Management Planning of WHSs (Activity A2.3).

The PCCN will organise and manage Activity A2.2 which consist in a session of trainings to young local professionals and labourers on applied restoration techniques. The training will be done by skilled restorer and conservationist of the Company appointed to perform the restoration works with the scientific support of international experts part of the Construction Management team already involved in the early restoration activities. The 15 professionals will be selected by the Steering Committee in coordination with the 3 ruling Churches and a technical evaluation of their professional profile will be preventively performed.

**Activity 3 - Enhancing visibility and developing interpreting tools for the World Heritage Site**

An international expert specialised on History of Art and Architecture will be selected by the Presidential Committee on the base of ToRs elaborated in consultation with the project SC. The expert will work in close cooperation with the 3 ruling Churches representatives and the PCCN to collect and organise primary and secondary data and elaborate the technical account as described in Activity 3.1. The report will become an essential and complementary part of the Integrated Conservation and Management Plan described under Activity 2.1.

Consistently with the mentioned document above, the local NGO contracted by AICS will organise and implement a capacity building program on Sustainable Tourism Management in WHSs. The information contained in the report produced under Activity 3.1 will be then summarised and edited into a visitors-friendly booklet, the activity will be as well followed up by the sectoral NGO contracted by AICS (Activity 3.3).

**Activity 4 – Auditing and Running costs**

An independent Chartered Accountant in accordance with internationally accepted audit standards (IFAC and INTOSAI) will be appointed at the end of the project to perform a financial auditing.

### **5.5 Pre-conditions**

- The Technical Agreement is signed
- The special accounts have been opened by/for the PCCN
- Funds have been transferred to MoPF
- The Biannual Work Plan submitted by the PCCN and approved by the Advisory Committee
- The MoPF has transferred the money to the special accounts opened by the PCCN
- The Steering Committee representatives have been nominated by the 4 partners

### **5.6 Start-up phase**

For what is concerning the startup phase of the project, once the Technical Agreement is signed, the MOPF requests the transfer of the amount to AICS. In the meanwhile, PCCN shall prepare the Biannual Work Plan with the technical support of the Steering Committee and AICS. The Biannual Work Plan shall be then approved by the Advisory Committee (as per Technical Agreement) established ad hoc for the project.

Following the approval of the Biannual Work Plan, the PCCN id entitled to request the transfer of the approved amount from the MoPF.

## 6. FINANCIAL PLAN AND PROJECT COSTS

| N.                                | Activities  | Costs (Euro)             |  | % sul Tot.    |
|-----------------------------------|---|--------------------------|--|---------------|
|                                   |   | Source of funds          |  |               |
|                                   |   | Italy-Funds in loco      | Italy – Budget support (ex. Art. 7, L. 125/2014) |               |
| <b>1</b>                          | <b>Contributing to the preservation and conservation works at the Church of Nativity</b>  |                          | <b>950.000,00 Euro</b>                           | <b>90,47%</b> |
| 1.1                               | Rehabilitation of 12 painted columns  |                          | 600.000,00 Euro                                  |               |
| 1.2                               | Uncovering and restoring 21 mq of floor mosaic  |                          | 350.000,00 Euro                                  |               |
| <b>2</b>                          | <b>Promoting and enforcing a preventive conservation approach</b>   | <b>55.000,00 Euro</b>    | <b>11.000,00 Euro</b>                            | <b>6,30%</b>  |
| 2.1                               | Elaborate an Integrated Conservation and Management Plan and a correlated training program  | 40.000,00 Euro           |  |               |
| 2.2                               | Training on-the job on Monitoring and Maintenance issues and methodologies  |                          | 11.000,00 Euro                                   |               |
| 2.3                               | Training course on WHSs Conservation and Management Planning  | 15.000,00 Euro           |  |               |
| <b>3</b>                          | <b>Enhancing visibility and developing interpreting tools for the World Heritage Site</b>   | <b>17.000,00 Euro</b>    | <b>14.000 Euro</b>                               | <b>2,95%</b>  |
| 3.1                               | Elaborate a detailed and accessible account illustrating outstanding attributes of the Church, repairs implemented and repairs methodology adopted. |                          | 14.000,00 Euro                                   |               |
| 3.2                               | Capacity building on Sustainable Tourism Management in WHSs: planning and training.   | 11.000,00 Euro           |  |               |
| 3.3                               | Elaborating, editing, and printing an interpreting booklet about the Church of Nativity   | 6.000,00 Euro            |  |               |
| <b>4</b>                          | <b>Audit and running costs</b>  | <b>3.000,00 Euro</b>     |  | <b>0,28%</b>  |
| 4.1                               | Auditing  | 2.000,00 Euro            |  |               |
| 4.2                               | Costs for communication and logistic  | 1.000,00 Euro            |  |               |
| <b>Total breakdown per source</b> |   | <b>75.000,00 Euro</b>    | <b>975.000,00 Euro</b>                           |               |
| <b>%</b>                          |   | <b>7,14%</b>             | <b>92,85%</b>                                    |               |
| <b>Total funds required</b>       |   | <b>1.050.000,00 Euro</b> |  | <b>100%</b>   |

### 6.2 Financial plan: details

The present initiative is composed by a budget support component managed directly by the PCCN (accounting to 975.000,00 Euro) and a component of funds directly managed by AICS (*fondo in loco*) of 75.000,00 Euro.

PCCN will be responsible for the following activities to be covered with a share of the budget support of 975.000,00 Euro in total:

- Activity A1.1 – PCCN will instruct the current restoration contractor to implementation the restoration works of 12 painted columns (total amount of 600.000,00 Euro). The restoration of each column requires approximately three and half months of work of a team of four skilled practitioners (1 restorer, 1 technician, 1 local skilled worker and 1 diagnostic technician). According to an accurate estimation based on the human resources already mobilised by the appointed restoration company and the presumed time for procuring and importing on site materials, the restoration of the 12 columns will be completed in 12 months. The average

cost for the restoration of a painted column, including stone capital and base, is 50.000,00 Euro/column. The restoration of each column (including the capital and the base) requires the employment of: 678 working hours of the restorer, 114 working hours of the technician, 35 working hours of a diagnostic technician and 22 working hours of the local skilled labourer. The cost of material and products to be employed for the restoration of a column accounts for the 20% of the mentioned unit price.

- Activity A1.2 - PCCN will instruct the current restoration contractor to restore the Vth century floor mosaic (total amount of 350.000,00 Euro). The restoration works will be performed by specialised staff of Piacenti S.p.A. in cooperation with the current CM team in charge of project management. The works of restoration of one square meter costs in average 13.500,00 Euro, the work will be implemented in 12 months. The restoration requires the employment of team of four practitioners: one restorer for 182 h/mq , 1 technician for 30 h/mq, 1 local skilled worker 6 h/mq and 1 diagnostic technician 11 h/mq. The cost of materials and products to be used for the restoration amounts to 20% of the unit cost per square meter.
- Activity A2.2 - Contracting a specialised expert for the on-the-job training on Monitoring and Maintenance, covering all costs related to insurance and purchase of safety equipment for the 25 participants to the on-the-job training on applied restoration techniques to be held in the Church of Nativity. The total cost of activity is 11.000,00 Euro, the duration of the training course will presumably be of 60 hours (15 days with presuming 4 hours/day of teaching). The costs for equipment and insurance for the participants amounts to 3.000,00 Euro which is 120 Euro/student to cover the costs of: job and third-party insurance and working tools (helmet, gloves, shoes and ovealls). A total of 8.000,00 Euro will be spent to cover the costs of the training: 16 working days of mission for an international expert at a daily fee of 400,00 Euro/day (all included) and 16 days of a local expert supporting with translation and logistic at a daily fee of 100 Euro/day. All costs of travel, accommodation and insurance shall be included and the offer submitted by the consultants as a lumpsum cost. PCCN will follow local procurement procedures for the selection of the experts.
- Activity A3.1 – Contracting a specialised expert on History of Art and Architecture for the elaboration of the document about Church value and history and covering costs for logistic and supporting personnel. The total amount for the activity is 14.000,000 Euro. The task shall be completed in maximum 90 working days out of which at least 15 shall be of on-site mission. For the elaboration of the report the PCCN, following local procurement procedures for the selection of the expert, will select: a senior international expert on History of Art and Architecture to perform a mission on site of 16 days at least at maximum 400,00 Euro/day and 74 days of work in remote at a daily fee of 100 Euro/day. All costs of travel, accommodation and insurance shall be included and the offer submitted as a lumpsum cost to PCCN.

AICS will be responsible for the following activities to be covered with the fund directly managed of 75.000,00 Euro. AICS will open a national bid, following PRAG procedures for service contracts between 30.000 to 200.000 Euro, for local non-governmental organisations. The contract will have a maximum value of 72.000,00 Euro. The bid will be done on the base of detailed ToR discussed and approved by the SC and it will concern the performance of activities A2.1, A2.3, A3.2, A3.3:

- Activity A2.1 – Contracting a sectoral local NGO for the elaboration of a Conservation and Management Plan of the property (total amount of the activity 40.000,00 Euro). The involved team of experts shall include the following key-experts: a senior WHSs Conservation and Management international expert and a junior conservation architect and urban planner. The Senior expert will give an input of at least 30 working days of mission (at a daily fee of 400,00 Euro/day) and of 150 days of work in remote (at a daily fee of 100,00 Euro/day); the junior architect shall give an input of at least 30 working days of mission (at a daily fee of 150,00 Euro/day) and of 150 days of work in remote (at a daily fee of 50,00 Euro/day). In addition to that the experts shall be supported by a local practitioner supporting with translation and in charge of coordinating the logistic during mission, the input required to this person is of 20 working days at a daily fee of 100,00 Euro/day. The Plan shall be prepared and submitted in max 180 working days. All costs of travel, accommodation and insurance shall be included and the offer submitted as a lumpsum cost.

- Activity A2.3 – Contracting a sectoral local NGO to organise the training on WHS Conservation and Management Planning (total cost of activity 15.000,00 Euro). The training course shall have a duration of 60 hours to be completed in 15 days of course. The costs for logistic and printed material for the 15 participants amount to 3.000,00 Euro and it will cover expenses for: didactic material printing and at least 2 field trips to other sites of Palestine. 12.000,00 Euro will be spent to cover the fees of the involved trainers: a senior expert for 20 days of mission at a daily reate of 400,00 Euro/day and a junior assistant for 20 days of mission at a daily rate of 150,00 Euro/day. A local paractitioner to support in translation and logistic shalla be enrolled for an input of 10 days at 100,00 Euro/day. All costs of travel, accommodation and insurance shall be included and the offer submitted as a lumpsum cost.
  - Activity A 3.2 - Contracting a sectoral local NGO to organise for the training on WHS Sustainable Tourism Management (total cost of activity 11.000,00 Euro). The training course will have a duration of 60 hours to be completed in 15 days of course. The costs for logistic and printed material for the 15 participants amount to 3.000,00 Euro, allocated to cover the follwings: didactic material and at least 2 field trips to other sites of Palestine. 8.000,00 Euro will be spent to cover the fee of an involved skilled trainer for 16 days at a daily fee of 400,00 euro/day, supported by a local practicionner for logistic and translation for 16 days at 100,00 euro/day. All costs of travel, accommodation and insurance shall be included and the offer submitted as a lumpsum cost.
  - Activity A3.3 – Contracting a a sectoral local NGO to elaborate the interpretative booklet for the WHS and select a graphic design studio for the layouting and printing out of 1000 copies of the booklet. The total cost of the activity is 6.000,00 Euro, out of which 3.000,00 will be used to cover the fee of the consultant/s for editing the booklet and providing the translation into 3 languages. The other 3.000,00 Euro will be spent to cover the cost for the lauout and print out of 1000 copies (foresee unit price of 2,50 Euro/copy).
- AICS will be responsible also of the following activities A4.1 and A4.2 to be covered with the funds directly managed by the Agency by:
- Contracting an independent Chartered Accountant, with a service contract total value of max 2.000,00 Euro out-put based, in accordance with internationally accepted audit standards (IFAC and INTOSAI)
  - Covering logistic costs and ordinary communication costs (total value of max 1.000,00 Euro)

## 7. TIMELINE

| Project's activities  |             |  |  |             |  |  |             |  |  |             |  |  |
|---|-------------|--|--|-------------|--|--|-------------|--|--|-------------|--|--|
|   | 1st quarter |  |  | 2nd quarter |  |  | 3rd quarter |  |  | 4th quarter |  |  |
| <i>A1- Contributing to the preservation and conservation works at the Church of Nativity</i>  |             |  |  |             |  |  |             |  |  |             |  |  |
| <i>A2- Promoting and enforcing a preventive conservation approach</i>                         |             |  |  |             |  |  |             |  |  |             |  |  |
| <i>A3- Enhancing visibility and developing interpreting tools for the World Heritage Site</i> |             |  |  |             |  |  |             |  |  |             |  |  |



|                                |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|
| A4- Auditing and running costs |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|

## 8. COSTS BREAKDOWN

Not applicable, the project duration is 12 months

## 9. SUSTAINABILITY AND IMPACT

The project proposal has been developed in accordance with the National Policy Agenda 2017-22 under the Sustainable Economy pillar and by implementing activities to preserve Cultural Heritage and promoting Palestine as a tourism destination. By focusing on high added value activities such as the restoration of historical monuments and the enhancement and diversification of services offered to visitors, the activity supports the valorization of tourism in a long term perspective.

The set of activities proposed address and contribute to the elaboration of the Monitoring and Maintenance Plan, which is one of the mandatory pre-conditions, as stated by the World Heritage Centre/ICOMOS, to allow the removal of the property from the List of World Heritage in Danger.

From a cultural point of view the prestigious restoration of most important Bethlehem landmark done following the highest qualitative and technical standards may have a positive impact on changing the attitude of foreigners toward Palestine, reversing the reputation of the Country from being a risky destination for visitors to an appreciated cultural destination at international level.

In addition to that the project proposed, works in synergy with the ongoing program of the UNESCO Office in Ramallah in support to MoTA for the preparation of WHSs management plans and to built the capacity of concerned strategic actors on heritage management and implementation of management plans.

From a technical perspective, the highly specialized restoration works executed in the columns and in the floor mosaics will be a milestone in the completion of the rehabilitation works. The completion of the mentioned works will allow the removal of the scaffoldings from the central nave columns and the installation of ad hoc designed system to protect but allow the sight of floor mosaics thus facilitating accessibility and visibility of the Property for occasional visitors and local users. The technique of stony decorated surfaces will be piloted for the first time in Palestine, hence the transfer of highly specialized technical knowledge to local skilled laborers and professionals will be an important added value.

The introduction of a preventive conservation model in the management process of the World Heritage Site will contribute to the economic and financial sustainability of the action by avoiding the risk of recurring to late costly intervention to restore the Property and by creating positive externalities on the tourism sector ensuring a constant flow of visitors attracted by the authenticity and outstanding value of the Church and Bethlehem Historical Center. In addition to that the component of capacity building on Conservation and Management Planning and on Sustainable Tourism Management in WHSs will contribute to strengthen in local professionals' skills and knowledge which can be adopted in similar projects in the country to ensure and mutually beneficial connection between economic development and heritage conservation requirements.

Piloting high quality restoration techniques might push the local people to change attitude toward the historical and vernacular architecture, promoting its preservation instead of its demolition and new construction thus having a positive impact on Bethlehem environment and the landscape.

To be sure to have a positive impact on gender issues, AICS will make sure to have a consistent gender balance among the attendees of training courses.

## 10. RISKS AND MITIGATION MEASURES

The highest risks that in the medium term endanger the activities described in the current project proposal are related to the conflict and to the political instability that affects the region, including the tense relationship between Palestine and Israel and a possible reawake of a wave of violence that might reverse the perception and the appeal of Palestine as a possible tourist destination.

Nevertheless, in the short term the local labor force that will be working on the restoration of the site should not be affected by any expected modification of the political situation and thus will be able to complete the restoration works despite any political turmoil. As to the restoration works schedule, the risk that the outbreak of an armed conflict in West Bank might slow down or suspend the renovation activities - evaluation of the foreign experts or block to the import of renovation materials - is considered very unlikely given the current political situation.

It is worth to mention that the involvement of Piacenti S.p.A. will contribute to avoid the risk of facing time-consuming administrative and bureaucratic issues, hindering the execution of works, connected to working permits for foreign specialized workers and on import of products which have already been solved by the Italian contractor in the past 4 years of works on site.

Finally, the major risk that might put in danger the architectural ensemble of the Church of Nativity is linked to the lack of proper maintenance activities and to the pressure created by mass tourism. When the priority actions suggested in the Maintenance and Monitoring and interpreting and presenting Plan are implemented, the effectiveness of the restoration interventions is expected to last on the long term. The involvement of the already established Steering Committee participated by the PCCN, the MotA, CCHP and Bethlehem Municipality as constitutional mechanism of coordination, ensures coherency and continuity with the conservation policies and national strategic framework.

## 11. RESULTS EVALUATION

Outputs-based indicators have been listed in the proposal document and will be monitored and evaluated by sectoral experts of the Economic Development program in AICS Jerusalem Office. If deemed necessary external experts will be involved to monitor and evaluate specific technical outputs.

## 12. ANNEXES

**Annex 1** - PCCN, "Restoration of the Nativity Church: Unfunded Future Works", July 2017  
**Annex 2** - ICOMOS/WHC, "State of Conservation of the Properties inscribed in the List of Worlds Heritage in Danger", October 2016  
**Annex 3** – MoTA "State of Conservation report", January 2017 Prepared in full cooperation with PCCN  
**Annex 4** – MoU regarding the preparation of the Management and Conservation Plan for the WHS, April 2017

*Place and date: Jerusalem, 3rd July 2017*

*Proposing agency: AICS Jerusalem Office – Representative Ms Cristina Natoli \_\_\_\_\_*

*H.E. Ziad Al Bandak, President PCCN \_\_\_\_\_*