This report has been prepared under the umbrella of the Palestinian National MDG Steering Committee, led by the Ministry of Planning, Palestinian Authority, in cooperation with the Palestinian Central Bureau of Statistics and UNDP. The sectoral analysis was undertaken by line ministries in partnership with United Nations resident agencies, and coordinated overall by the Ministry of Planning.

**Palestinian National MDG Steering Committee**

**PALESTINIAN AUTHORITY**
- Ministry of Planning, Chair
- Palestinian Central Bureau of Statistics
- Ministry of Health
- Ministry of Education and Higher Education
- Ministry of Social Affairs
- Ministry of Labor
- Ministry of Women Affairs
- Ministry of Finance
- Ministry of Agriculture
- Palestinian Water Authority
- Environmental Quality Authority

**UNITED NATIONS COUNTRY TEAM**
- United Nations Development Programme (UNDP/PAPP)
- United Nations Relief and Works Agency (UNRWA)
- The Office of the United Nations Special Coordinator (UNSCO)
- United Nations Population Fund (UNFPA)
- United Nations Children’s Fund (UNICEF)
- United Nations Development Fund for Women (UNIFEM)
- United Nations Educational, Scientific and Cultural Organization (UNESCO)
- World Health Organization (WHO)
- World Food Programme (WFP)
- United Nations Human Settlements Programme (UN-HABITAT)
- UN Office for the Coordination of Humanitarian Affairs (UN-OCHA)
- Office of the High Commissioner for Human Rights (OHCHR)
- World Bank
- International Monetary Fund (IMF)

**OBSERVERS**
- Birzeit University
- Palestinian NGO Network (PNGO)
- Palestinian Red Crescent Society (PRCS)
22nd December 2005

The 2005 Millennium Development Goals Progress Report for the Occupied Palestinian Territory is issued on the eve of the Palestinian national elections, the presentation of the Palestinian Medium Term Development Strategy for 2006-2008 and the unilateral Israeli disengagement from Gaza. All these factors point to political opportunities as well as hope for socio-economic improvements in the lives of the Palestinian people. The Millennium Development Goals 2005 Report provides us with a framework to register that change and monitor human development since 2002, when the last Report was issued.

As the 2005 Report observes, human development outcomes have been regressing since the year 2000, despite the relatively better human development indicators that Palestinians used to previously enjoy vis-à-vis other countries in the Arab region. This is in conformity with the analysis of the earlier 2002 Report. The greatest development challenge that is faced in the Palestinian context, continues to remain the crisis of poverty and unemployment, although the picture along other MDG Goals remains relatively favorable, when compared with regional averages.

At the current time the full extent of the overall regression is yet to be felt. Indicators for the incidence of impoverishment of the population in terms of income, hardship and access to basic social services, are telling, while decline in other areas is hinted at. What is more challenging is to measure over the short term, the effect of the decline in living standards, numbers of new poor and other creeping downward trends, which are likely to become more tangible over a longer period.

While the global MDGs agenda has 2015 as its cut-off date, the specificities of the Palestinian situation, make projections for progress difficult to assess. Without progress on the political front, and without the removal of restrictions on access and mobility, conditions will become worse, and instead of reaching the MDGs, a downward spiral is likely.

Within the context of a return to Medium Term Planning however, the MDGs can provide an ideal frame for adaptation to the national context in terms of resonating with a national vision, responding to Palestinian needs and with respect to defining targets and appropriate indicators. We are pleased that the MTDP 2006-2008 articulates this strategy.

We are also pleased to share that the results of this Report do point to the resilience of the Palestinian people, the PA and solidarity of the International Community, who have despite the intractable conflict, managed to keep vital social services to the population running and continued to invest in the future well-being of the people. We hope that this is a reflection of the commitment of all parties to keeping the longer term development agenda of the Palestinian people alive, despite the enormous pressures of the conflict and human costs of the Israeli Occupation.
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<th>Full Form</th>
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<tr>
<td>CEDAW</td>
<td>Convention on the Elimination of all forms of Discrimination against Women</td>
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<tr>
<td>EQA</td>
<td>Environmental Quality Authority</td>
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<tr>
<td>GDP</td>
<td>Gross domestic product</td>
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<tr>
<td>GNI</td>
<td>Gross national income</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>Human immunodeficiency virus/acquired immunodeficiency syndrome</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>MCM</td>
<td>Million cubic meters</td>
</tr>
<tr>
<td>MENA</td>
<td>Middle East and North Africa (region)</td>
</tr>
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<td>MEnA</td>
<td>Ministry of Environmental Affairs</td>
</tr>
<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>MMR</td>
<td>Maternal mortality rate</td>
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<tr>
<td>MOE</td>
<td>Ministry of Education</td>
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<td>Ministry of Finance</td>
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<td>MOH</td>
<td>Ministry of Health</td>
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<tr>
<td>MOPIC</td>
<td>Ministry of Planning and International Cooperation</td>
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<tr>
<td>NGO</td>
<td>Non-governmental organization</td>
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<tr>
<td>NIS</td>
<td>New Israeli Shekel</td>
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<tr>
<td>OPEC</td>
<td>Organization of Petroleum Exporting Countries</td>
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<tr>
<td>oPt</td>
<td>occupied Palestinian territory</td>
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<tr>
<td>PA</td>
<td>Palestinian Authority</td>
</tr>
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<td>PC</td>
<td>Palestinian Council</td>
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<td>PCBS</td>
<td>Palestinian Central Bureau of Statistics</td>
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<tr>
<td>PECDAR</td>
<td>Palestinian Economic Council for Development and Reconstruction</td>
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<td>PLO</td>
<td>Palestine Liberation Organization</td>
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<tr>
<td>PPAP</td>
<td>Participatory Poverty Assessment Project</td>
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<td>STDs</td>
<td>Sexually transmitted diseases</td>
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<td>TJ</td>
<td>Tera joules</td>
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<td>UNDGO</td>
<td>United Nations Development Group Office</td>
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<td>UNIFEM</td>
<td>United Nations Development Fund for Women</td>
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<td>UNSCO</td>
<td>Office of the United Nations Special Coordinator</td>
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<tr>
<td>WBGS</td>
<td>West Bank and Gaza Strip</td>
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<tr>
<td>WFP</td>
<td>World Food Programme</td>
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<tr>
<td>WHO</td>
<td>World Health Organization</td>
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</table>
Millennium Development Goals

OCCUPIED PALESTINIAN TERRITORY

2005 Progress Report

Designed & printed by: Bailasan Co.
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Scorecard: oPt MDG Attainment Status 2005

Chapter 1
Progress on most of the Millennium Development Goals towards 2015 remains highly dependent on future political and economic progress. Without major changes in the closure regime, limiting the movement of goods and people, and Israeli control over natural resources, particularly water and land, the Palestinian economy will not revive and there will be little socio-economic recovery in the medium term. Assumptions for the scorecard are:

1. Political situation does not deteriorate further so that mobility and access to basic services are not more impaired
2. Public/donors investment in basic service delivery does not decline further and increases proportionately to the increase in population

<table>
<thead>
<tr>
<th>Millennium Development Goal</th>
<th>Already Achieved</th>
<th>Not Applicable</th>
<th>Highly Likely</th>
<th>Likely</th>
<th>Unlikely</th>
<th>Remarks</th>
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<tbody>
<tr>
<td>Goal 1 Eradicate extreme poverty and hunger</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td>Persisting high poverty rates and the rise in the number of ‘new poor’ negatively affects food security, as a result of occupation and closure</td>
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<tr>
<td>Goal 2 Achieve universal primary education</td>
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<td></td>
<td></td>
<td></td>
<td>In spite of good primary results in primary education enrollment, quality of basic education requires improvement</td>
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<td>Goal 3 Promote gender equality and empower women</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Educational progress favorable, whereas women’s economic and political participation remains low</td>
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<tr>
<td>Goal 4 Reduce child mortality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Progress has been slow</td>
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<tr>
<td>Goal 5 Improve maternal health</td>
<td></td>
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<td></td>
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<td></td>
<td>Lack of data</td>
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<tr>
<td>Goal 6 Combat HIV/AIDS, malaria, &amp; other diseases</td>
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<td></td>
<td></td>
<td></td>
<td>Lack of data</td>
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<tr>
<td>Goal 7 Environment &amp; sustainable development</td>
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<td></td>
<td></td>
<td>Shift in donors’ focus from emergency and humanitarian aid to long-term development objectives &amp; post-Gaza Disengagement focus</td>
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<tr>
<td>Goal 8 Develop a global partnership for development</td>
<td></td>
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</table>

*Progress on most of the Millennium Development Goals towards 2015 remains highly dependent on future political and economic progress. Without major changes in the closure regime, limiting the movement of goods and people, and Israeli control over natural resources, particularly water and land, the Palestinian economy will not revive and there will be little socio-economic recovery in the medium term. Assumptions for the scorecard are:

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2. Public/donors investment in basic service delivery does not decline further and increases proportionately to the increase in population
Executive Summary

Chapter 2

Millennium Development Goals
OCCUPIED PALESTINIAN TERRITORY
Executive Summary

Goal 1  Eradicate extreme poverty and hunger

The incidence of poverty in the oPt has been deteriorating since the beginning of the Second Intifada in September 2000 due to the persistent Israeli occupation and the absence of political and economic stability. In 2005, more than 53.7 percent of the households are living below national poverty line compared to 23.3 percent in 1998. The uncertainty regarding the evolution of the political and economic context, and lack of adequate coverage of assistance to the population above hardship poverty, nearly 2/3rd of the poor, or those clustered just above the poverty line, increases the probability of poor Palestinians lapsing back under the national poverty line. The persisting regime of closure, and it’s effects makes forecasting for medium and longer term problematic. The WFP estimates of 2004 indicate that 37 percent of the population is food insecure and does not receive adequate food to meet minimum nutritional requirements. Food insecurity is, inter alia, reflected in a rise of the prevalence of chronic malnutrition in children under five years of age from 7.5 percent in 1996 to 9.9 percent in 2004. 1 If the current situation persists, standards of health will likely suffer long-term damage and social stability will be at risk.

Goal 2  Achieve universal primary education

An ambitious five-year plan of the Ministry of Education & Higher Education (MOEHE) was formulated and many of the education goals have been accomplished in the past five years. During this period, the MOEHE has focused on keeping the school system functional. Enrollment in basic education has been sustained at pre Intifada levels – in spite of a decrease in female enrollment. Although population data are no longer reliable to estimate Gross or Net enrolment rates (the last census dates back to 1997), enrolment targets in both primary and basic education have been reached. The MOEHE did an impressive job introducing the new curriculum in grades 1-10, and producing and distributing textbooks on a 1/1 ratio every year. In addition, most of the quantitative targets for teacher training were also met. Nevertheless, the quality of primary education is far from being achieved.

Goal 3  Promote gender equality and empower women

In the last 10 years, there have been very positive trends in reducing gender disparity in the Palestinian education system and forecast figures suggest that the positive trend is likely to continue. Eliminating gender disparity in education is an essential component in promoting gender equality and women’s empowerment and as such, positive advances are expected in the achievement of MDG 3. However, data can also be viewed as misleading in terms of masking the spectrum of factors that would more realistically reflect concrete advances in the achievement of this ambitious and essentially cross-sectoral goal, particularly in terms of the related indicators on women’s economic and political participation.

Goal 4  Reduce child mortality

After significant progress from 1990 to 2000, the progress rate of the under five mortality rate was very slow during 2000 to 2004 (about 2 percent reduction only). The rate is strongly related to the evolution of the conflict, as a result of military occupation, or of the effect of closures and limited access to health and social services in general, economic decline, impoverishment and aid dependency, child mortality is stagnating, or worsening in some areas like the Gaza strip, where it increased by about 30 percent over the last four years. The situation analysis of child mortality shows that progress in improving children’s health and survival is still possible, if conflict and poverty are addressed in an effective manner.

Goal 5  Improve maternal health

The methodologies currently in use for calculation of maternal mortality rates in the oPt present divergent figures and are therefore unreliable. Also, no national targets have been set to date. However data on the percentage of women delivered by a qualified skilled birth attendant is recorded at 98.3 percent according to the Demographic Health Survey of 2004.

Goal 6  Combat HIV/AIDS, malaria and other diseases

On Target 7, the PA has not yet set clear targets for HIV/AIDS. The challenge is to maintain the low incidence levels, build awareness on prevention, and provide assistance to the PA for a multi-sectoral approach to combating HIV/AIDS in the future.

Regarding target 8, Malaria has been eliminated in the oPt. However, the prevalence of malaria in neighbouring countries requires close monitoring of mosquito breeding areas. For other communicable diseases such as polio and tuberculosis, the number

1 PCBS, Quarterly Economic and Social Monitor, Volume 1, April 2005
The number of reported cases has been almost negligible. Also, due to good coverage of vaccination programmes and the improvement in surveillance systems, it is likely that the target will be reached by 2015.

Goal 7 | **Ensure environmental sustainability**

Environmental protection and the integration of sustainable environment concerns into national policies is a recent concern in the oPt and has long been overshadowed by the conflict. Israeli occupation since 1967 has affected every aspect of Palestinian environment, the control over land and natural resources - particularly water - which has been and remains at the heart of the conflict. In 1999, the Palestinian Environmental Law No 97 was signed by the PA President and the 2005 draft Palestinian Constitution reiterates that the environment is a basic human right. The Ministry of Environmental Affairs (MENA), restructured into the Environmental Quality Authority (EQA) faces two kinds of challenges. There are long-term environment challenges that need to be addressed in parallel with the additional environmental risks and damages created by the ongoing conflict, and many long-term environmental solutions cannot become a reality without a peace process for the region. Considering the current trends, the persistence of the conflict and the levels of environment protection in the oPt, it is unlikely that Goal 7 will be met by 2015. Access to decent housing is also an important consideration in the oPt because of the conflict over land and high population density, including refugee camps.

Goal 8 | **Develop a global partnership for development**

The eighth goal of the MDG framework relates to the institutional framework required to achieving the previous seven including: the global governance structure for poverty eradication and the responsibilities of the donor community in supporting the achievement of the MDGs.

ODA has been critical in responding to the humanitarian crisis since the outbreak of the Intifada. The broader objectives of state-building and development displayed uneven results, as there was some progress until 1998, but a sharp decline during 2000-2004 – with donor focus on emergency and humanitarian aid. Recently, there has been some shift in donors’ focus, on the post-Gaza Disengagement scenario, with renewed commitment to long-term development objectives.
Chapter 3

Introduction
Introduction

The Millennium Development Goals

In September 2000, leaders of 189 countries came together at the United Nations Millennium Summit in New York and signed the Millennium Declaration, thereby strongly reaffirming the commitment of their nations and the international community to the achievement of the Millennium Development Goals (MDGs) by 2015. The MDGs outline tangible measures for gauging improvement in human development outcomes through a set of interrelated commitments, goals and targets on development, governance, peace, security and human rights. The MDGs are a set of eight broad goals, eighteen related targets - and forty-eight indicators - to be met by all countries and peoples by 2015.

Goal 1. Eradicate extreme poverty and hunger
Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day, and the proportion of people who suffer from hunger

Goal 2. Achieve universal primary education
Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Goal 3. Promote gender equality and empower women
Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015

Goal 4. Reduce child mortality
Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate

Goal 5. Improve maternal health
Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio

Goal 6. Combat HIV/AIDS, malaria and other diseases
Halt and reverse the spread of HIV/AIDS, malaria and other major diseases

Goal 7. Ensure environmental sustainability
Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Goal 8. Develop a global partnership for development
Develop further and open, rules-based, predictable, non-discriminatory trading and financial system, including a commitment to good governance, development, and poverty reduction – both nationally and internationally

The oPt 2005 MDG Progress Report

The oPt 2005 MDG Progress Report has been prepared jointly by the PA and the UN Country Team in the oPt under the umbrella of the National MDG Steering Committee2, comprising national development stakeholders.

The objective of this report is to analyze and present overall progress and trends in the oPt along the MDGs since the publication of the first Progress Report in 2002. Both the Millennium Declaration and the Goals provide the PA and its partners a means of assessing relative progress, vis-à-vis global trends.

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Taking into account the specificities of the Palestinian context - this Report contributes to a larger effort over 2005-2006 led by the PA to evolve a national development vision, localize and adopt MDG Goals and targets, improve national planning through medium term processes and capacity development, and develop a comprehensive monitoring system.

A draft localization process is under discussion with the MDG Steering Committee led by the Ministry of Planning and the UN Country team led by UNDP. The process is expected to take place at the national

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level with wide participation of sector specific stakeholders from the PA, civil society, private sector and multilateral and bilateral development institutions. The one year process will culminate in the revision of the Medium term Development Plan for the oPt in the end of 2006. The Annex of the Report features the main components and options to be discussed by the Committee.

The Report is issued at a critical time as world leaders come together at the 2005 World Summit in New York to review worldwide progress since the Millennium Declaration, adopted by all Member States in 2000, and as domestically in the region, there are signs of political changes. The oPt 2005 MDG Progress Report supports the transition from humanitarian and emergency assistance to evolving a more developmental agenda, in a time of uncertainty regarding the post-Gaza ‘Disengagement’ situation.

3 MDG Linkages to Medium Term Development Plan (MTDP)

The Ministry of Planning has articulated poverty and unemployment priorities in its Medium Term Development Plan 2005-2007 (MTDP), demonstrating the national commitment to poverty eradication as stated in the MDG 1. The central strategies to reach these are linking short term relief to longer term development in specified programme areas; enhancing PA leadership of aid management, coordination and oversight, guiding donor interventions for national resource mobilization and allocation, and building public sector capacity to enhance planning for development.

While the MTDP sets down the broad objectives, strategies and programme areas, there is a clear gap in terms of quantifiable goals and targets and a nationally agreed set of indicators, which can be monitored to assess the impact of the MTDP.

The MDGs can provide the Palestinian Medium Term Development Plan with a set of specific internationally agreed goals and targets to track and evaluate progress in the long term (10 years) medium term (2-3 years), The MDGs can also form the basis on which to mobilize resources for investing in human development, and will provide a platform for discussion and advocacy at the country level. Beyond the global MDGs, a set of oPt-localized MDGs will be useful in setting quantified and time-bound goals and targets, which will aid the monitoring of the plan implementation (based on specific indicators), and introduce greater accountability.

While the MTDP 2005-2007 is an important step in the PA’s capacity to reclaim ownership of the development planning process and move beyond emergency orientation, it could further benefit from clarifying its linkage with the MDGs in future revisions of the MTDP.

4 The Process

The process followed for the preparation of the Report was led by the MDG Steering Committee chaired by the Ministry of Planning over August and early September 2005.

Overall coordination from the PA side was provided by the Ministry of Planning with substantive support from the Palestinian Central Bureau of Statistics. Overall coordination and technical back-stopping to UN Agencies was provided by UNDP/PAPP.

Coordination on the technical analysis of specific MDGs was an iterative process between line ministries, the Palestinian Bureau of Statistics and specialized partner UN Agencies, and in turn feeding back the analysis to UNDP and the MoP.

In the preparation of the report, much stress was placed on a consultative approach seeking consensus among all partners on the data cited and analysis produced. The primary source of data in this report is the Palestinian Central Bureau of Statistics (PCBS) founded in 1994, the same year as the Palestinian Authority (PA) inception. The consequent lack of available and reliable data prior to 1995, explains why the global baseline year of 1990 for monitoring the progress of the MDGs is not used. All the MDGs do not necessarily have the same benchmark year, as gauging progress depends on the quality and acceptability of available data. For reporting on the current status of the indicators, data as close to the year 2005 as possible was used. Whenever pertinent, the

### MDG Linkages & MTDP 2005-2007 Programme Areas

<table>
<thead>
<tr>
<th>MTDP 2005-2007 Program Areas</th>
<th>MDGs</th>
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<tr>
<td>1. Ensure Social Protection</td>
<td>MDGs 1, 2, 4, 5, 6</td>
</tr>
<tr>
<td>2. Invest in Social, Human and Physical Capital</td>
<td>MDGs 1, 2, 3, 4, 5, 6, 7</td>
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<tr>
<td>3. Invest in Institutions of Good Governance</td>
<td>Cross-cutting all MDGs</td>
</tr>
<tr>
<td>4. Create an Environment for Private Sector Growth</td>
<td>MDGs 1 &amp; 7</td>
</tr>
</tbody>
</table>
indicators were disaggregated by region (West Bank, Gaza Strip, East Jerusalem, rural, urban, and refugee camp), in order to portray the important geographical inequalities in development that exist in the oPt.

5 Limitations of the Report

The Palestine Human Development Report 2004 highlights that "even the most rigorously collected quantitative data, while significant, may fail to reflect a complete picture of actual conditions existing within the society. Data sometimes shows progress in certain specific areas addressed by the human development indicators, but may still not fully capture the whole social context. The qualitative dimensions of indicators analysis are very rarely addressed in research studies and data they provide."

Every effort has been made to use the most reliable and recent data, and to strike a balance between quantitative and qualitative analysis in order to best reflect the political and socio-economic context of Palestine. The accent on consensus has influenced the selection of data sources but the report preserved when necessary the data range. In spite of the lack of agreed-upon oPt-localized MDG indicators for Palestine, whenever possible, additional indicators (quantitative and qualitative) have been used to complement the global MDG indicators.

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1 Birzeit University, Development Studies Programme, Palestine Human Development Report 2004
The Palestinian Development Context
The Palestinian Authority (PA) was established in 1994 following the signature of the Declaration of Principles on September 13, 1993 and the Oslo accords between the Palestine Liberation Organization (PLO) and Israel. The Peace Accords were aimed at creating the basis for ending years of conflict and military occupation. Despite limited resources, territorial control, and restricted ability to conduct foreign relations, the PA assumed judicial, legislative and executive functions and the provision of social services to the non-refugee population in the West Bank and Gaza Strip. The international community facilitated this process through the provision of substantial funds and technical assistance.

Comprehensive assistance is provided by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the Palestinian Authority - notably the Ministry of Social Affairs - and various local and international NGOs. UNRWA has been providing services to Palestine refugees since 1950, serving approximately 70 percent of the population of the Gaza Strip and 27 percent of the West Bank.

The outbreak of the Second Intifada in September 2000, following the failure of the negotiations at Camp David and Taba, marked the beginning of a cycle of violence, military incursions and curfews that continued into 2004. This period also marked the escalation of a humanitarian crisis that left more than two thirds of the Palestinian population impoverished and vulnerable (see section on Economic trends below).

Following the death of President Yasser Arafat, a successful political transition took place with the election of Mahmoud Abbas as President of the Palestinian Authority in January 2005. The mutual ceasefire (‘Tahdia’) agreed upon at the Sharm-al Sheikh summit of February 2005 formally signaled the end of the second Intifada.

2005 saw a renewed commitment on the part of the international community to re-energize the Road Map of 2002. A series of senior level appointments including the Quartet’s Special Envoy for Disengagement, James Wolfensohn, American General Ward and others have been sent to oversee Disengagement as well as strengthen the two-state vision as outlined in the Road Map.

Israel’s ‘Disengagement’ from the Gaza Strip at the end of the summer of 2005 and the intensification of contacts between the PA and the Government of Israel call for optimism, but also open a period of uncertainty regarding the future of the Gaza Strip and of the establishment of a Palestinian State. The lack of territorial contiguity within the West Bank, absence of a safe passage route linking the Gaza Strip, and the continued construction of the Barrier will likely limit the socio-economic recovery in the short term. In the medium and long term, a great deal will depend on the progress achieved by the parties in ensuring a secure environment, and building a viable framework for socio-economic recovery in the West Bank and Gaza Strip – including structures for export and the relaxation of restrictions on the movement of Palestinian people and goods.

**Socio-economic trends**

In 2005, the occupied Palestinian territory (oPt) and its 3.8 million people are placed in the lower middle-income group of countries, occupying the rank 102 in terms of Human Development Index1. In terms of Millennium Development Goals (MDGs) attainment, with the exception of Goals 1 and 7, the current level of attainment of most Goals in 2015 remains favorable, although trends since 2000 show that there is a regression in most of the indicators, and growing regional disparities.

The ongoing conflict and prolonged economic contraction have been critical at mitigating the progress of human development in the West Bank and the Gaza Strip. From 2000 to 2004, the GDP per capita in the oPt has declined by almost 40 percent, which resulted in increased levels of reliance international assistance. Poverty rates skyrocketed and have been persistently above 60 percent of the total population since then. If these conditions persist, standards of health and education are likely to suffer long term damage, and social stability risks being affected. The most important factor in the increase in poverty in the recent years has been the loss of jobs – resulting from the regime of closure, the reduction of Palestinian labor access to Israel, and the general economic crisis in the oPt. The uncertainty in the political sphere and the absence of an independent and functional Palestinian State, make increased private and foreign investment unlikely, and pose challenges in actually projecting and modeling progress until 2015, the cut-off date for most MDG based national strategies.

In the medium term, both Palestinians and the International Community have a vital stake in

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1 UNDP, Human Development Report 2004
2 The halving of extreme poverty and hunger. This aspect has been a crisis in the oPt since the beginning of the Second Intifada in 2000 and high poverty rates have persisted for over 4 years.
3 World Bank, Four Years – Intifada, Closures, and Palestinian Economic Crisis, 2004
improving human development outcomes in the oPt. For the past 5 years, international support to the Palestinians amounted for an average of more that $1 billion per year (one of the highest per capita assistance levels worldwide), of which (in 2003) almost 46 percent went to budget support for the PA7. Recently there has been some shift in donors’ focus, with renewed commitment to long-term development objectives8. The political nature of the conflict along with the lack of prospects for economic recovery have made the oPt heavily aid dependent.

While local and international development assistance has mostly concentrated on the delivery of basic social services and supporting the Palestinian Authority to implement its development mandate, there have been efforts to systematize the process through development strategies and development planning since 1998 – in the form of the Palestinian Development Plan, the Socio-Economic Stabilization Plan (SESP) 2004-2005, and more recently the Medium Term Development Plan (MTDP) 2005-2007, currently being revised into the MTDP 2006-2008.

**Economic Growth & Crisis: 1994-2005**

Overall Palestinian economic performance following the creation of the PA in 1994 and until 1997 was weak and vulnerable due to Israeli occupation since 1967, characterized by negative growth rates, declining per capita incomes and rising unemployment. A variety of factors contributed to this – most notably closure and other restrictions on the mobility of goods and people. As a result, the initial experience of the peace process for many Palestinians was one of declining living standards9. The Palestinian economy was and remains vulnerable and heavily dependent on the Israeli economy; 75 percent of Palestinian imports transit through or originate in Israel, while the Israeli market accounts for 90 percent of Palestinian exports10.

After 1997, the oPt experienced a modest economic growth, including rising per capita incomes and employment growth, despite the high population growth rates of 3.3 percent - higher in the Gaza Strip. The unemployment rate fell to 12.4 percent in 1999, about half its 1996 peak. With increasingly effective tax collection and economic growth, PA tax revenues almost covered all current expenditures. The World Bank concluded then that donor aid has played a key macroeconomic role in cushioning the impact of mobility restrictions and other external shocks, raising annual GDP per capita growth rates by 1-2 percent. By 1999, GNP per capita was an estimated 6-7 percent higher than it would have been without donor assistance.

The economic recovery of 1998-1999 in the oPt came to an abrupt halt when violence resumed and severe movement restrictions were imposed at the beginning of the second Intifada in September 2000.

Since 2000, all economic indicators have been negatively affected, in addition to unprecedented physical destruction and losses. The World Bank estimates that Palestinian Gross Domestic Product (GDP) in 2004 was 20 percent lower than in 1999 and GDP per capita was lower by 37 percent, while the total accumulated physical damage inflicted between October 2000 and June 2004 is estimated at over US$2.2 billion11. The ongoing conflict has resulted in a near collapse of the Palestinian economy, soaring unemployment and a sharp increase in poverty12. The median family income has dropped by 40 percent compared to pre-2000 levels, to which the Palestinian population has responded by resorting to coping mechanisms such as reducing their consumption levels, using personal savings, selling off assets, delaying payments and incurring debt. Donors responded by doubling annual disbursements and shifting the bulk of their assistance into emergency support.

The PA’s fiscal accounts have also been put in severe disarray during the Intifada, as PA revenues collapsed when the Government of Israel decided to withhold tax revenues collected on behalf of the PA – 80 percent of revenues were derived from indirect taxation on consumption (particularly VAT, import taxes, and excise taxes)13.

In 2003, the Palestinian economy stabilized after two years of sharp contraction, due to the fewer curfews compared to 2002, the diminishing of violence, and the transfer of previously withheld clearance revenue - easing a PA fiscal

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7 PA Ministry of Planning, Donors’ Assistance in the oPt for year 2003 (with projections for 2004 & Update on Funding Status for the SES, June 2004)
8 In 2003, for the first time since the start of the second Intifada, development expenditure was higher than the humanitarian expenditure.
9 World Bank and Government of Japan, Aid Effectiveness in the West Bank and Gaza, 2000
10 World Bank, Four Years – Intifada, Closures, and Palestinian Economic Crisis, 2004
11 UNCTAD, Report on UNCTAD’s Assistance to the Palestinian People, August 2004
12 The Palestinian Central Bureau of Statistics (PCBS) report on poverty shows that 16 percent of the Palestinian population in the West Bank and Gaza Strip (600,000 people) could not meet their basic needs, including food and shelter. in 2003, while the poverty rate is over 60 percent for the third consecutive year
13 World Bank, West Bank & Gaza Country Brief
14 By 97,000 since late 2000
situation that remains precarious. Also, the Israeli economy emergence from two years of recession impacted Palestinian trade and revenues as well as Palestinian workers in Israel, despite the decline in their number\textsuperscript{14}.

Economic data for the first quarter of 2005 provides evidence that the modest recovery that began in 2003 continues to extend in the West Bank – in spite of the increasingly adverse effect of the Israeli Separation Wall\textsuperscript{15}, while in the Gaza Strip, due to more severe closures imposed on Palestinian workers in 2004\textsuperscript{16}, growth stalled and possibly declined. The extent to which this fragile growth path can be sustained depends greatly upon the extend of Israeli disengagement from the Gaza Strip and Northern West Bank, the overall political and security situation, and the degree to which travel and transit restrictions within the West Bank are eased or tightened. Of particular impact will be whether closures of Israeli markets to Palestinian workers persist or are relaxed.\textsuperscript{17}

\textsuperscript{14}\textit{By 97,000 since late 2000}
\textsuperscript{15}Limiting access to land, workplaces and markets through a specified number of gates. In 2005, the completion of the Wall around Jerusalem will further isolate East Jerusalem from the rest of the West Bank
\textsuperscript{16}With a monthly average number of Gazan workers that entered Israel and Erez Industrial Zone of 2,960, which represents a 69% decline in comparison to 2003 and a 90% decline in comparison with the pre-Intifada period, when the monthly average stood 29,865 (Palestinian National Security Force, Northern Command, Gaza)
\textsuperscript{17}World Bank, West Bank and Gaza Update Quarterly, June 2005
Chapter 5
Millennium Development Goals: Progress to Date & Framework for Future Progress
The incidence of poverty in the oPt has been deteriorating since the beginning of the Second Intifada in September 2000 due to the persistent Israeli occupation and the absence of political and economic stability. In 2005, more than 53.7 percent of households are living below the national poverty line compared to 23.3 percent in 1998. The uncertainty regarding the evolution of the political and economic context, and lack of adequate coverage of assistance to the population above hardship poverty, nearly 2/3rd of the poor, or those clustered just above the poverty line, increases the probability of poor Palestinians lapsing back under the national poverty line. The persisting regime of closure, and its effects makes forecasting for medium and longer term problematic. The WFP estimates of 2004 indicate that 37 percent of the population is food insecure and does not receive adequate food to meet minimum nutritional requirements. Food insecurity is, inter alia, reflected in a rise of the prevalence of chronic malnutrition in children under five years of age from 7.5 percent in 1996 to 9.9 percent in 2004.\textsuperscript{18} If the current situation persists, standards of health will likely suffer long-term damage and social stability will be at risk.

To achieve Goal 1, the oPt must reduce by 2015 the proportion of population consuming below the poverty line from 20 percent in 1998 to less than 10 percent.

\textbf{Differing Poverty Figures}

The global MDGs use the international definition of poverty – individuals living on less that US$1 per day. However, this definition does not conform to the oPt’s national definition of poverty: the amount of money needed to sustain an acceptable standard of living set by the authorities. Indeed, the official poverty line for West Bank and Gaza, developed by the National Poverty Commission in 1998, corresponds to NIS 1,390 per month for the benchmark family\textsuperscript{19} (two adults, four children). This was adjusted to the NIS equivalent of US$ 2.3 in 2001 and $2.48 in 2004. It is essential for the National Commission for Poverty Reduction to evolve a new official national poverty line using an adequately determined measure for meeting the household unit’s basic needs relevant for the current socio-economic situation and prices, which is validated by a national consensus.

\textbf{Goal 1: Eradicate extreme poverty and hunger}

The global MDGs use the international definition of poverty – individuals living on less that US$1 per day. However, this definition does not conform to the oPt’s national definition of poverty: the amount of money needed to sustain an acceptable standard of living set by the authorities. Indeed, the official poverty line for West Bank and Gaza, developed by the National Poverty Commission in 1998, corresponds to NIS 1,390 per month for the benchmark family\textsuperscript{19} (two adults, four children). This was adjusted to the NIS equivalent of US$ 2.3 in 2001 and $2.48 in 2004. It is essential for the National Commission for Poverty Reduction to evolve a new official national poverty line using an adequately determined measure for meeting the household unit’s basic needs relevant for the current socio-economic situation and prices, which is validated by a national consensus.
Deterioration of poverty incidence

All available figures on poverty show a deterioration of the situation. The Palestinian Expenditure and Consumption Survey (PECS 2004) results indicate that poverty rates have significantly increased since 2001. While the poverty rate was 23.3% according to consumption and 30% according to income in 1998, it rose in 2001 to 37.9% and 50.6% according to consumption and income respectively. In 2004 these grim poverty rates reached 25.6% according to consumption and 53.7% according to income. In terms of per capita average income during the years 2001-2003, there was a significant decline reaching US$1411.10 in the West Bank and Gaza Strip, with some increase by 2003 to US$1374.3.

In the Palestinian context, it is important to measure both income but also using a methodology that permits measurement of poverty in accordance with types of real consumption. The difference between the income poverty line and consumption, can be attributed to the impact of the high level of assistance disbursed to the population to maintain basic consumption needs due to the humanitarian crisis since 2000.

Prior to the PECS 2004, the PCBS conducted a poverty survey at the end of 2003. Results of the survey illustrated that more than one-third of Palestinian families (36 percent) were consuming below the poverty line in 2003 and one fourth of Palestinian families suffered from extreme poverty. Other estimates from the World Bank pointed to a poverty rate ranging between 38 percent and 51 percent and a subsistence poverty rate (identifying those individuals whose consumption is below subsistence level) of 16 percent for 2003.20

Increases in poverty incidence have occurred in both the West Bank and the Gaza Strip, with notably higher poverty rates in the Gaza Strip than in the West Bank. Between February and November 2004 there has been a sharp deterioration of the poverty situation in the West Bank refugee camps whereas extreme poverty and poverty rate in the Gaza Strip refugee camps showed a decreasing trend. Extreme poverty in Jerusalem has also increased.21

Due to the duration and persistence of the economic crisis post second Intifada, there is an exhaustion of the main coping strategies of the poorest (reducing expenses and using past savings) that could lead to an increase in extreme poverty, and could affect social cohesion. The situation would lead to great pressure on local and international humanitarian assistance institutions.22 As indicated by the Ministry of Planning, continuing poverty and unemployment is likely to negatively impact social stability in the medium and long-term. Approximately half of the population in the oPt is under the age of 15, and numbers of the Ministry of Planning indicate that about 40,000 youth are entering the labor force each year.23 In the absence of economic recovery, the Palestinian economy will not be able to meet the challenges presented by such rapid demographic growth.

### MDG Indicators

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<td>3. Share of poorest quintile (20 percent) in national consumption</td>
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### Additional oPt MDG Indicators

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<td>10</td>
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* does not include discouraged unemployed (those who are not actively seeking work because they have lost hope of finding a job)

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20 World Bank, Four Years: Intifada, Closures, and Palestinian Economic Crisis, 2004
21 IUED, Palestinian Public Perceptions Report VIII, June 2005
22 IUED, Palestinian Public Perceptions Report VIII, June 2005
Target 2:
Halve, between 1990 and 2015, the proportion of people who suffer from hunger

To achieve Goal 1, the oPt must reduce by 2015 the prevalence of underweight in children from 4 percent in 1995 to 2 percent

Indicators for malnutrition:
Acute malnutrition of children (wasting) under five years of age is defined by the ratio of weight for height classified by WHO criteria. It indicates inadequate nutrition in the short-term period. Chronic malnutrition (stunting) of children - defined by the ratio of height for age – shows the long-term effects of inadequate nutrition and poor health status. Underweight is defined by the ratio of weight for age and it is a good indicator for the young children’s nutritional status, together with its suitability for use in growth monitoring and promotion programmes. The three indicators are available and regularly monitored by the PCBS through its Demographic and Health Surveys. Routine data collection is also undertaken through the health management information system and will be part of the national food security and nutrition data base. But nutrition is defined not only by quantity of food but also by quality of food. The MDG target indicators focus on the ‘level of dietary energy consumption’, which reflects the amount of calorie intake, as well as on the prevalence of the underweight children.

Increasing Hunger
The WFP estimates that for 37 percent of both the West Bank and Gaza populations, food insecurity is a real or near constant threat. Three successive Demographic and Health Surveys (DHS) conducted by PCBS using similar methodology show a worsening of the nutritional status of children (0-5 years) in the period between 1996 and 2004. With one exception (the wasting rates in Gaza), the prevalence of wasting, stunting and underweight has deteriorated since 2000. Numbers provided by the Ministry of Planning indicate that seven in ten Palestinian children live in families that are either poor or extremely poor. The most significant trend is the continuous increase of the prevalence of chronic malnutrition (stunting). The prevalence of children under five years of age with stunted growth rose from 7.5 percent in 1996 to 9.9 percent in 2004. Stunting indicates a state of longer term undernutrition (many months or even years) that may lead to serious irreversible growth and development delays. With the exception of wasting rates, the nutritional situation in the Gaza Strip is more severe than in the West Bank (see table below).

Indicators for malnutrition:

- Acute malnutrition of children (wasting) under five years of age is defined by the ratio of weight for height classified by WHO criteria. It indicates inadequate nutrition in the short-term period.
- Chronic malnutrition (stunting) of children - defined by the ratio of height for age – shows the long-term effects of inadequate nutrition and poor health status.
- Underweight is defined by the ratio of weight for age and it is a good indicator for the young children’s nutritional status, together with its suitability for use in growth monitoring and promotion programmes.

The three indicators are available and regularly monitored by the PCBS through its Demographic and Health Surveys. Routine data collection is also undertaken through the health management information system and will be part of the national food security and nutrition data base. But nutrition is defined not only by quantity of food but also by quality of food. The MDG target indicators focus on the ‘level of dietary energy consumption’, which reflects the amount of calorie intake, as well as on the prevalence of the underweight children.

Consumption of protein, vitamins and minerals are also essential for normal health development and may be considered as supplementary indicators.

Food insecurity exists when people lack secure access to sufficient amounts of safe and nutritious food for normal growth and development and an active and healthy life.

WFP, Food Security Assessment West Bank and Gaza, Rome 2003
PCBS, Quarterly Economic and Social Monitor, Volume 1, April 2005
### MDG Indicators

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<td>4. Prevalence of underweight in children (under five years of age, in percent)</td>
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<td>Gaza Strip</td>
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<th>5. Proportion of population below minimum level of dietary energy consumption</th>
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### Additional oPt MDG Indicators

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<tbody>
<tr>
<td>1. Proportion of population below minimum level of dietary animal protein consumption</td>
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<tr>
<td>3. Prevalence of stunting in children (below 5 years of age)</td>
<td>7.2</td>
<td>7.5</td>
<td>9.9</td>
<td>6.8</td>
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### NATIONAL CONSIDERATIONS

#### Target 1

**The Causes of Poverty in the oPt**

The prolonged Israeli occupation and regime of closure are responsible for the rise in unemployment, which is the main cause of the persisting high poverty rate in the oPt. In the absence of a comprehensive welfare system and an unemployment benefits scheme, the main source of households’ income is derived from work activities\(^3^4\). Other causes leading to poverty result from deficits in access to basic services, illness, low educational attainment, incompatible labor market, as well as structural causes related to the composition of the society – almost half of the population is under 15 - and gender inequalities – with the feminization of poverty. As income poverty will continue to increase, as well as greater alienation from basic services due to the conflict, it is highly probable that both the poor and the non-poor risk increasing vulnerability and reduced well-being. The high rates of population growth also need to be addressed through a multisectoral strategy aiming at raising standards of living in the oPt.

\(^{29}\) Data from DHS 1996 as proxy
\(^{30}\) Data from DHS 2000
\(^{31}\) DHS 1996 as proxy for 1995
\(^{32}\) DHS 2000
\(^{33}\) DHS 2004 as proxy for 2005
\(^{34}\) IUED, Palestinian Public Perceptions Report VIII, June 2005
The regime of closure – internal and external –, the Israeli Separation Wall, limited control over natural resources such as land and water, limited access to international markets, and the progressive reduction of Palestinian labor access to Israel (towards complete closure of the Israeli labor market to Palestinians announced for 2007), along with the general decline in economic activity in the oPt, have resulted in a dramatic rise in unemployment rate, as well as a growing phenomenon of working-poor, and consequently higher poverty levels - both in the West Bank and the Gaza Strip. According to PCBS, the number of Palestinians employed in Israel and Israeli settlements has declined by 97,000 since late 2000.35 Taking into account discouraged workers who have given up looking for work, the adjusted unemployment rate in Q3 2004 stood at 32.6 percent, a rise in 3 percent compared with the same time the previous year. Employment has become the top priority and the most important unmet household need - primarily in the Gaza Strip, in cities and among non-refugees. Employment is also most important among the most educated.36

The public sector has served as the main provider of new employment since the beginning of the Intifada. In 2004 the PA accounted for 22 percent of the total employment in the oPt, and about one in three employed people now work for the PA, UNRWA or NGOs - largely as a result of donor assistance for emergency relief and PA budgetary support. About 60 percent of the PA budget is currently spent on salaries. Economic development cannot take place without the easing of current restrictions on the movement of goods and people, and without developing infrastructure for export – notably a Gaza seaport and airport. In recent times, over 90 percent of Palestinian exports have gone to or through Israel, which retains full control over airspace and borders.

Target 2 The Causes of Hunger in the oPt

According to the WFP, access to food is extremely limited in the West Bank and Gaza due to closures and curfews as well as because of the decline in food production activities - due to land confiscation and destruction - and with the increase in poverty and economic decline in the oPt.38 Lack of physical access to food has been a serious threat for food security since September 2000. According to FAO, the degree of physical access to food improved from 2002 to 2003, as households utilized coping strategies and movement restrictions were decreased. Yet closures and curfews continue to indirectly affect the financial accessibility of food due to their adverse effects on the Palestinian economy. Rising unemployment and poverty led to decreasing financial access to food between 2002 and 2003. The decline in purchasing power of households in the oPt has been met by different coping strategies such as buying food on credit; relying on less preferred and less expensive food and decreasing the amount of food consumed. As a quick recovery of the Palestinian economy is not foreseeable, the lack of financial access to food is likely to have adverse long-term consequences for the civilian population in the oPt. The severe increase in chronic malnutrition among children already reflects the long-term effects of the deteriorating food situation in the oPt. As the last DHS showed (see graphs) all the nutritional indicators have worsened since 2000. The camps are the areas with the highest underweight prevalence (6 percent) while Gaza Strip overall is the area with the highest stunting prevalence (11.4 percent). Concerning the acute malnutrition (wasting), the highest rates are noticed in the West Bank. Data on the prevalence of acute malnutrition show that it is particularly pronounced among the poor. According to a survey conducted jointly by CARE, John Hopkins University and Al Quds University, the prevalence of global acute malnutrition (GAM) among low income households in Gaza was 14.3 percent as compared to 5.0 percent in high income households.39 In the West Bank, the prevalence of GAM among low income households was 4.5 percent as regards to 3.7 percent in high income households. Insufficient food availability also contributed to the increasing level of malnutrition in the oPt.

CHALLENGES

Multiple assessments of poverty in the oPt have led to a broad range of recommendations on how to address poverty incidence:

- Improve pro-poor planning and budgeting, reform public budget to reflect PA commitment to poverty reduction by allocating adequate resources to public social services and programmes targeted at the poor and vulnerable groups
- Improve targeting and coverage of social assistance
- Expand and improve the conditions for

35 World Bank, Four Years: Intifada, Closures, and Palestinian Economic Crisis, 2004
36 Ibid
37 According to PCBS labor force data, this represents an increase in the proportion of people employed in the public sector compared with 2003 (29%) and with pre-Intifada (23%)
38 Ibid
39 CARE et al., Nutritional Assessment of the West Bank and Gaza Strip, September 2002
participation in the private sector labor market in order to solve the problem of unemployment and increase wage rates, while preventing the further expansion of the public sector.

- Provide and improve public services in terms of material infrastructure, such as power supply, water supply, sanitation, schools, health centers and roads, and in terms of the human resources needed to operate and provide these services.
- Develop social security systems and social protection nets.
- Mainstream population growth issues into national planning process.
- Seek to harmonize the criteria for providing assistance to the new poor as well as the amount of assistance of those who supply food aid.

**SUPPORT FRAMEWORK**

- **The Medium Term Development Plan (MTDP) 2005-2007**

The Ministry of Planning has declared poverty and unemployment priorities of its Mid Term Development Plan 2005-2007 (MTDP), targeting principally the "new poor"- those who have fallen into poverty but are not currently eligible for existing social protection programs - and those who have been unemployed over a long period of time. It places emphasis on projects which offer sustainable employment opportunities in the private sector.

It aims at addressing poverty in a sustainable manner by providing a framework to shift PA efforts and donor assistance from emergency relief to the creation of job opportunities and socio-economic revival and development. The MTDP will also improve PA accountability by providing clear developmental objectives to be monitored throughout the implementation period.

The PA identified four strategies aiming at addressing poverty from a holistic perspective:

1. Ensure social protection
2. Invest in human and physical capital
3. Invest in good governance and institutions
4. Create a conducive environment for the growth of the private sector

- **National Commission for Poverty Eradication (NCPE)**

The NCPE was created in January 2005 and is officially mandated to formulate policy and coordinate poverty related interventions of all the relevant Ministries and other stakeholders, and is chaired by the Minister of Planning. An empowered and active National Commission for Poverty Eradication will advocate for a poverty focused response at the highest level.

- **Coordination Framework for Nutrition and Food Security**

A Food Security Unit has been set up in the Ministry of Planning in order to ensure coordination of the agriculture, food security and nutrition activities. The PA is in the process of preparing a national food security strategy, The Food Security Unit is also working toward establishing a national database – FIVIMS – on food security, vulnerability and nutrition, with all line ministries and UN agencies. Particular efforts have been undertaken in the Ministry of Health, in order to address the micro- and macromalnutrition. A National Nutrition Strategy has been adopted in 2003, followed in 2005 by the preparation of an operational plan of action for the implementation of the strategy, which received support from donors and UN Agencies (WHO, UNICEF). The Ministry of National Economy is contributing in setting the regulatory framework at the macroeconomic level for the food fortification.

WFP meets regularly with the Ministry of Planning, the Ministry of Social Affairs, and the Ministry of Agriculture in order to coordinate their activities on streamlining the food aid in the overall food security interventions. The coordination framework extends to Line Ministries, donors, UN agencies (UNRWA and OCHA) and NGO partners with regards to assessment, evaluation, and implementation of food aid.

**Goal 2 | Achieve universal primary education**

An ambitious five-year plan of the Ministry of Education & Higher Education (MOEHE) was formulated and many of the education goals have been accomplished in the past five years. During this period, the MOEHE has focused on keeping the school system functional. Enrollment in basic education has been sustained at pre Intifada levels – in spite of a decrease in female enrollment. Although population data is no longer reliable to estimate Gross or Net enrolment rates (the last census dates back to 1997), enrolment targets in both primary and basic education have been reached. The MOEHE did an impressive job introducing the new curriculum in grades 1-10, and producing and distributing textbooks on a 1/1 ratio every year. In addition, most of the quantitative targets for teacher training were also met. Nevertheless, the quality of primary education is far from being achieved.
**Target 3:**
Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

To achieve Goal 2, the oPt must increase the primary school enrollment rate from 91.1 percent in 1995 to 100 percent, increase the primary school completion rate and reduce dropout rates

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<td>Male</td>
<td>96.7</td>
<td>99.0</td>
<td>98.7</td>
<td>99.0</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>96.7</td>
<td>97.8</td>
<td>98.5</td>
<td>98.9</td>
<td></td>
</tr>
<tr>
<td>7. Proportion of pupils starting Class 1 who reach Class 5</td>
<td>NA</td>
<td>NA</td>
<td>98.9</td>
<td>97.8</td>
<td>99.3</td>
</tr>
<tr>
<td>8. Adult literacy rate (Ages 15+ years)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Bank</td>
<td>84.3</td>
<td>86.1</td>
<td>89.2</td>
<td>91</td>
<td>92.3</td>
</tr>
<tr>
<td>Gaza Strip</td>
<td>84.1</td>
<td>85.9</td>
<td>89.2</td>
<td>91.2</td>
<td>92.2</td>
</tr>
<tr>
<td>Male</td>
<td>84.9</td>
<td>86.3</td>
<td>89.3</td>
<td>90.7</td>
<td>92.4</td>
</tr>
<tr>
<td>Female</td>
<td>91.5</td>
<td>92.2</td>
<td>94.4</td>
<td>95.7</td>
<td>96.5</td>
</tr>
<tr>
<td>8. Adult literacy rate (Ages 15+ years)</td>
<td>77</td>
<td>79.7</td>
<td>83.9</td>
<td>86.4</td>
<td>88</td>
</tr>
</tbody>
</table>

Through the household survey as well as the literature study, the recent survey on school dropouts conducted in both the West bank and the Gaza Strip concluded that the total number of dropouts 15,158 between 1999/2000 was reduced to 9,395 between 2003/2004. The dropout rate was 1.8 percent in 1999/2000 and decreased to 0.9 percent in 2003/2004. This has indicated a remarkable change and good progress has been made towards the MDG goal, but can also be attributed to the currently high unemployment rate in the oPt.

With the inauguration of the National Institute of Education Training under the MOEHE, short term training on subject matter has been conducted. This should lead to more systematic training for the trainers from the districts and later on to a well established training system. In addition to the short term training, the institute has been involved in the development and production of the training package in both video and audio formats.

**Geographical disparities**

The Educational Institutions census 2003/2004 shows that among 2956 schools and kindergartens, 2254 are located in the West Bank and 702 in Gaza though the population density is much higher in

<table>
<thead>
<tr>
<th>Enrollment</th>
<th>Boys</th>
<th>Girls</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA Schools</td>
<td>365723</td>
<td>368012</td>
<td>733735</td>
</tr>
<tr>
<td>UNRWA Schools</td>
<td>125496</td>
<td>129086</td>
<td>254582</td>
</tr>
<tr>
<td>Private Schools</td>
<td>37002</td>
<td>25008</td>
<td>62010</td>
</tr>
</tbody>
</table>

| Grand Total: 1050327 |
In the Arab States:

Full enrolment in primary education has not been achieved in any Arab State. The net enrolment is as follows (data are lacking for Iraq and Libya):

- **Above 90 percent**: Syria, Tunisia, Algeria, Qatar, Jordan, Bahrain, Palestinian Territories, Egypt, Lebanon, Morocco, Kuwait, UAE
- **Between 80 and 90 percent**: Oman, Yemen, Mauritania, and Saudi Arabia
- **Less than 80 percent**: Greater than 90 percent

Also, the quality of primary education is far from being achieved. The available data indicates that the median percentage of 4th grade pupils that do perform at the requested achievement level is only around 60 percent for Arabic language and only around 40 percent for Mathematics. International comparisons are more alarming.

Quality of education in oPt

Despite the many difficulties faced by the Ministry of Education and Higher Education (MoEHE), especially over the past four years of closure, occupation, deteriorating economic conditions and mobility restrictions, achievements in terms of physical reconstruction of schools, enrollment, and access to learning materials have been impressive. However, these conditions have had the overall effect of slowing down the momentum toward achieving safe access to quality education, leaving many schools to operate in unsafe, overcrowded and unhealthy environments with underpaid and often untrained teachers without the skills or knowledge necessary to cope with the requirements of the new curriculum.

Between the scholastic years of 2002/2003, the average repetition rate was 1.4 percent while the dropout rate was 1.0 percent. Of course these rates vary according to grade level. The repetition rate was low in lower grade (about 0.7 percent) and it increased to 2.7 percent when children entered the middle elementary grade (G4-7). The dropout rate increased rapidly from lower grade to higher grade from 0.2 percent in the first year of schooling to 3.6 percent to the tenth grade. It is observed that the dropout rate of boys in the lower grade is higher than the girls and the pattern would change at the tenth grade or at the secondary education.

**Trends in International Mathematics and Science Study (TIMSS): The results of 2003**

In science, the average scale score of Palestinian students was 435, as compared with the international average of 474 and higher than scores achieved by Egypt (420), Tunisia (404), and Morocco (396). Palestinian students did not perform as well in mathematics (390) compared with the international average of (467), and 6th among the 8 participating Arab states.

Regarding the reasons for the drop-outs, 47 percent in the survey considered low academic achievements as the first reason while 27 percent believed it to be the second one. 45.4 percent cited no interest in study as the first reason, 27.4 percent considered it as a second reason. These findings as mentioned have clearly shown that great efforts need to be made in the teaching and learning process. The urgency to establish a good teacher training system to meet some of the challenges is evident.

**SUPPORT FRAMEWORK**

**Education For All Goal 2**: Ensuring that by 2015 all children, particularly girls, children in difficult circumstances and those belonging to ethnic minorities, have access to and complete free and compulsory primary good quality education.

**Education for All Goal 6**: Improving all aspects of the quality of education and ensuring excellence of all so that recognized and measurable learning outcomes are achieved by all, especially in literacy, numeracy and essential life skills.

**United Nations Literacy Decade (2003-2013)**

The United Nations Literacy Decade (2003-2012) launched in February 2003, which reaffirmed that education is essential to human, economic
and social development. The Decade presents the challenge of exploring new venues to provide literacy opportunities, and to give the excluded the chance to participate. It also presents the opportunities to sustain UN efforts over ten years as it works towards the goal of increasing global literacy levels by 50 per cent by 2015.


The 2002 Johannesburg Summit broadened the vision of sustainable development and re-affirmed the educational objectives of the Millennium Development Goals and the Education for All Dakar Framework for Action.

**CHALLENGES**

- **Achieving full enrolment in quality primary education is a very big challenge**

To achieve full enrolment rate in quality primary education remains a big challenge while new challenges emerge. Targets to ensure access of students living in the disadvantaged areas have not been met, and restriction of movement has severely affected both access and school attendance. This is particularly true in Gaza and in rural areas and communities around Israeli Separation Wall. With more children having to cope with psychological trauma, the school system is faced with greater needs to provide services for students with special needs. Moreover, other key goals related to quality enhancement of education services have not been met.

In parallel to PA schools, UNRWA schools operate in West Bank and Gaza, covering 25 percent of overall enrollments in basic education, and as much as 70 percent in the Gaza Strip. The UNRWA school system operates under a separate management and delivery structure. Figures on teacher and student ratio show that UNRWA schools are on average more crowded that PA schools (with higher occupancy rates and smaller average space per pupil). As current classroom occupancy rates are likely to negatively impact on students’ learning achievements, specific efforts have been made during the last two years to reduce class size (initial target being 40 children per class) and improve infrastructures for learning. In addition, UNRWA schools only cover up to grade 9 (except for a few schools in East Jerusalem), while a tenth grade has been introduced in the PA schools. Although UNRWA and the PA are currently using the same curricula, achieving a higher level of consistency in schooling grades represent a key challenge in quality primary education.

- **Need for substantial improvement in the quality of primary education**

The backbone of any school system is its teaching force, and there is research evidence strongly linking teachers’ quality to learning achievement. In the West Bank and Gaza there are no standards for either pre-service or in-service teacher training programmes, and the current offer – particularly pre-service – is focused on subject knowledge with very low emphasis on classroom-related teaching skills and competences. In addition, there is no policy framework for professional development of teachers, with no incentives for teachers to enhance their performance or even to guide their practice. Implementing a new curriculum is a major challenge in any education system; thus, an assessment of how the Palestinian curriculum has been received by teachers and students, and how relevant it is for today’s social and economic challenges is most needed.

**Goal 3**

**Promote gender equality and empower women**

In the last 10 years, there have been very positive trends in reducing gender disparity in the Palestinian education system and forecast figures suggest that the positive trend is likely to continue. Eliminating gender disparity in education is an essential component in promoting gender equality and women’s empowerment and as such, positive advances are expected in the achievement of MDG 3. However, the score in the table below can also be viewed as misleading in terms of masking the spectrum of factors that would more realistically reflect concrete advances in the achievement of this ambitious and essentially cross-sectoral goal, particularly in terms of the related indicators on women’s economic and political participation.

**Target 4:**
Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015

![Net enrolment ratio in primary education](chart.png)
Trends regarding the elimination of gender disparity in primary and secondary education have been generally favorable in the past ten years, particularly in tertiary education, and the large gender differences witnessed in the MENA region do not exist in significant degree in the oPt. However, the gender ratio, particularly at the tertiary level, may be skewed by not factoring in the significant number of male students who continue their education abroad.

However, it is important to note that the positive advances forecasted for this goal are based on a series of assumptions, namely that:

- The political situation does not deteriorate further, so that mobility and access to education are not further impaired;
- The Ministry of Women’s Affairs will continue to exist;
- Gender mainstreaming mechanisms within the Palestinian Authority are institutionalized whereby gender mainstreaming becomes part of general and sectoral national development plans and not strictly limited to the Ministry of Women’s Affairs;
- Momentum gained by the Palestinian women’s movement in the promotion of women’s political participation continues to build.

<table>
<thead>
<tr>
<th>MDG Indicators</th>
<th>1995</th>
<th>2000</th>
<th>2002</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. Ratio of girls to boys in primary, secondary and tertiary education</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td>95.3</td>
<td>98.7</td>
<td>97.8</td>
<td>97.4</td>
</tr>
<tr>
<td>Secondary</td>
<td>86.4</td>
<td>108.5</td>
<td>108.8</td>
<td>107.4</td>
</tr>
<tr>
<td>Tertiary</td>
<td>77.6</td>
<td>90.6</td>
<td>102.8</td>
<td>107.6</td>
</tr>
<tr>
<td>10. Ratio of literate women to men, 15-24 years old</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>11. Share of women in wage employment in the non-agricultural sector</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Proportion of seats held by women in national parliament</td>
<td>5.7</td>
<td>5.7</td>
<td>5.7</td>
<td>5.7</td>
</tr>
</tbody>
</table>

**ADDITIONAL SUGGESTED INDICATORS FOR oPt MDGS**

There is available data that can be analyzed to develop further indicators, as follows:

**Education**

- Percentage drop-out rates in primary, secondary and tertiary education for male and female students;
- Ratio of female to male students in vocational education, according to specialization;
- Ratio of female to male students in science fields at the secondary and tertiary education levels;
- Ratio of female to male graduates that enter the labor force;
- The proportion of women married under 18 years of age and the proportion of women under 18 with at least one child.

**Economic security**

- Wage differentials for the female and male labor force
- Unemployment rates for the female and male labor force
Political participation

- Ratio of women to men in decision-making positions in the Palestinian Authority, according to decision-making level: Minister, Deputy Minister, Assistant Deputy Minister, General Director, Director, etc.

Some additional suggested indicators still need to be developed:

- Indicators for measuring individual living standards and poverty standard (in terms of both income and capability poverty) need to be developed so that gender differences within households can be measured. This will assist in the measurement of the phenomenon known as the feminization of poverty within households as well as among households.

- Violence against women has devastating effects on the achievement of MDGs, not least of which is gender equality and women’s empowerment which needs to be measured. So far, there is anecdotal information and case studies that suggest that violence against Palestinian women is increasing. However, national-level indicators need to be developed for a proper assessment.

In addition to quantitative indicators, qualitative indicators should be developed in the different arenas that are being examined in the assessment of MDG 3. These indicators will address issues of equity and rights, which should be incorporated into MDG 3. Qualitative indicators are difficult to determine and as such their discussion will need to involve a broad spectrum of organizations.

Final selection of additional indicators should result from a broad-based participatory process of selection during the proposed initiative for localizing the MDGs.

REGIONAL DISPARITIES

According to a quick overview of available statistics, there are no significant geographical disparities in the education indicators, particularly at the primary and secondary education levels\(^{40}\). In terms of tertiary education, the overall ratio of female to male students exceeds the MDG target in both the West Bank and Gaza Strip, but the ratio is slightly higher for the Gaza Strip (113) than the West Bank (103)\(^{41}\). There are sub-regional disparities in enrollment that need to be examined, particularly in terms of areas of specialization offered at the various Palestinian higher education institutes.

Regional disparities appear in the measure of school drop-outs in the primary and secondary stages of education whereby socio-economic factors tend to play a greater role in the drop-out phenomenon for both male and female students in the Gaza Strip\(^{42}\).

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<table>
<thead>
<tr>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio of female to male workers in the labor force by sector</td>
</tr>
<tr>
<td>Underemployment rates for the female and male labor force</td>
</tr>
<tr>
<td>Part-time labor force rates for male and female labor force</td>
</tr>
<tr>
<td>Out of labor force rates for females and males.</td>
</tr>
</tbody>
</table>

### Political participation

**Percentage of Women in Decision-making Positions in 2005**

![Percentage of Women in Decision-making Positions in 2005](chart)

**Proportion of seats held by women in local government**

**Percentage of Women in Local Councils**

![Percentage of Women in Local Councils](chart)

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\(^{40}\) According to 2004 PCBS education figures (on their website)

\(^{41}\) Based on 2004 data from the Ministry of Education on female and male students in each Palestinian university. The data is disaggregated geographically according to the location of the university, but not according to the geographical origin of the enrolled students.

\(^{42}\) According to the 2004 PCBS child labor survey
There are no significant regional differences in terms of the literacy rates of Palestinian women and men.

According to the 2004 PCBS labor force statistics, the share of women in the overall labor force in the West Bank is 15.9 percent whereas their share is only 9.1 percent in the Gaza Strip. The share in Jerusalem is the lowest in the West Bank, accounting for only 10.1 percent. The disparity between the West Bank and Gaza Strip in terms of women's share of the overall labor force most probably reflects the higher unemployment rate of the male labor force in the Gaza Strip. Additionally, the public sector, which presents a large portion of labor opportunities for women, is more highly developed in the West Bank than in the Gaza Strip. The low rate of women's participation in the labor force in East Jerusalem results from a combination of political and social factors. Although employment opportunities exist in the Israeli job market, especially for unskilled labor, these have been filled by a large foreign labor force. Additionally, the closure and separation of the rest of the West Bank from East Jerusalem, coupled with social factors related to the mobility of women under these circumstances, have limited access to employment opportunities there for women from East Jerusalem.

In terms of the proportion of seats held by women in national parliament, the overall number is so small that there is no scope for examining regional disparities. However, at the level of local government, regional trends in women's political participation emerge, whereby the latest round of local elections ensured a 19.3 percent representation for women in the West Bank compared to 17 percent in the Gaza Strip.

**NATIONAL CONSIDERATIONS**

The primary national consideration in this area is that MDGs need to be localized and fitted to the Palestinian context, including examining regional and sub-regional disparities that result from the political situation.

MDG 3 in the oPt should address gender equity and not just equality. Equality is an important concept that emphasizes fairness, but presumes an ideal. It needs to be coupled with equity which would recognize and address the different conditions, prejudices and obstacles that Palestinian men and women face.

There has to be clear national commitment to MDG 3 through continuing institutionalization of gender mainstreaming mechanisms and clearly defined modalities for the incorporation of this goal into national development plans. In this context, MDG 3 should be more clearly linked to localized processes related to other international conventions that deal with women's rights, such as the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Beijing Platform for Action.

**SUPPORT FRAMEWORK**

The potential for progress relies heavily on the new support framework that has come into existence since the last MDG report was prepared. The Ministry of Women's Affairs was established in November 2003 and this new Ministry is mandated to promote and develop the Palestinian Authority's commitment to gender equality and the empowerment of women. As such, it is a key player in the process of institutionalizing the necessary mechanisms for the achievement of MDG 3. In tandem, the Palestinian women's movement has also made great strides in institutionalizing the quota system for the purpose of increasing Palestinian women's political participation, which is also expected to reflect positively in advancing the MDGs as a whole.

An essential component of the support framework for MDG 3 is the Palestinian Authority's commitment to participatory national planning processes, as exemplified in the Medium Term Development Plan (MTDP), which reflect concrete efforts at gender mainstreaming.

**CHALLENGES**

Many challenges exist that would impair the achievement of MDG 3. Among them are:

- Ensuring that laws and legislation protect women's rights and gender equity. Although the Palestinian Constitution promotes gender equality, this is not always reflected in the drafting or implementation of laws and legislation. Of particular significance to MDG 3 in terms of its target would be legislation that raises the minimum age of marriage to 18 and raises the years of compulsory education to 12.
- Ensuring gender sensitization of the educational system, including curricula, teachers and administration, so that educational and labor force opportunities and role models are fostered on the basis of gender equality and equity.
- Engendering government budgets. This process involves a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality.
Ensuring affirmative action. Although great advances have been made in advancing women’s political participation, changes in the Palestinian electoral law can forfeit the affirmative action promoted by the quota system.

Ensuring women’s growing political participation, since many women are hindered by a combination of socio-economic factors that their male counterparts do not face.

Ensuring that women that have been elected into local government have the skills and support to perform in their new role. This has serious implications for MDG 3 since failure to perform will reduce future chances of women in elections. Further, these women need to be trained on advocating for women’s rights and gender equality so that they can further pave the way for future generations. Even if they are not less qualified than their male counterparts, female candidates have to work harder to counteract the stigma associated with their new role. The Ministry of Women’s Affairs and UNFPA have begun the process, but it is an ongoing challenge to ensure the high performance required.

Ensuring capabilities in gender-sensitive statistical analysis and incorporation of this analysis into policies, plans and resources that promote gender equality and the empowerment of women.

**Goal 4 | Reduce child mortality**

After significant progress from 1990 to 2000, the progress rate of the under five mortality rate was very slow during 2000 to 2004 (about 2 percent reduction only). Strongly related to the evolution of the conflict, the military occupation, the effect of closures and limited access to health and social services in general, economic decline, impoverishment and aid dependency, child mortality is stagnating, or worsening in some areas like Gaza strip, where it increased by about 30 percent over the last four years. The situation analysis of child mortality shows that progress in improving children’s health and survival is still possible, if conflict and poverty are addressed in an effective manner.

**Target 5:** Reduce by two thirds, between 1990 and 2015, the under-five mortality rate

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43 The neonatal mortality rate is an important progress indicator, given the medium to low rank of infant and under five mortality figures, and the significant contribution of the neonatal mortality to these figures. At the present time, although the data are collected in different institutions, their consolidation is not accurate enough.

44 The prevalence of underweight children under 5 years of age. With malnutrition as the "underlying bed" for child mortality and severe morbidity, as well as in the current context of degradation of nutritional status of Palestinian children, this indicator is also valuable as progress indicator.


Differing child mortality statistics

For monitoring progress on target 4, the target indicator ‘under-five mortality rate’ is complemented by the two indicators ‘infant mortality rate (IMR)’ and ‘proportion of 1-year-old children immunized against measles’. These mentioned indicators, which were proposed at the Millennium Summit in September 2000, are available through the Demographic and Health Survey as well as the national health statistics. The Task Force for Maternal Health and Child Health, which was appointed as part of the Millennium Project set up by the Secretary-General, suggested that ‘neonatal mortality rate’ and the ‘prevalence of underweight children under five years of age’ (see MDG 1 indicators) are used as additional indicators. These indicators are highly relevant for the Palestinian context and will be considered. Based on the Task Force’s report, the following indicators are proposed for consideration in terms of MDG monitoring: (1) percentage of health expenditure dedicated to the essential health services package; (2) equity of health expenditure (Gini coefficient); (3) coverage of evidence-based interventions that can prevent neonatal death; (4)
proportion of fully immunized children at 12 months; (5) exclusive breastfeeding rate at 6 months (7) prevalence of stunting under 5 years of age; (8) coverage of vitamin A and iron supplementation in children under five.

Infant and under-five mortality represent a gross violation of the right of children to survival. The infant mortality rate (IMR) for the oPt decreased marginally from 2.5 percent in 2000 to 2.42 percent in 2004 and so did the under-five mortality rate (U5MR) which declined from 2.87 percent in 2000 to 2.83 percent in 2004. Although the IMR and the U5MR have been practically stagnating (marginal decline) over the last four years, discrepancies exist between the developments in the West Bank and the Gaza Strip. In the West Bank, the figures have improved over the last 4 years as the IMR declined from 2.44 percent in 2000 to 2.00 percent in 2004 and U5MR was reduced from 2.72 percent in 2000 to 2.37 percent in 2004. In the Gaza Strip, however, the situation has deteriorated and mortality figures have increased from 10 to 15 percent with respect to their pre-Intifada value. In absolute figures, around 2500 young children are dying every year, which amounts to 8 to 9 children every day. The highest IMR (3.52 percent) is registered in the Palestinian refugee camps while the highest U5MR is found in rural areas where it stands at 3.62 percent. When comparing the situation in the oPt to its neighboring countries, it is notable that the IMR and UMR in the oPt are inferior to the average values in the Middle East and the North African regions and fairly equal to the rates of its Arab neighbors (Egypt: IMR 3.3 percent; UMR 3.9 percent; Jordan: IMR 2.3 percent; U5MR 2.8 percent). However, the child and infant mortality rates in the oPt are still considerably higher than in Israel (IMR 0.5 percent; U5MR 0.6 percent), with which the oPt shared the health system from 1967 until 1994. With regards to the nutrition data, the overall figures remain relatively ‘mild’ (see MDG 4). Yet the trends over the last eight years, which are shown by three successive Demographic Health Surveys (DHS) conducted in 1996, 2000,2004, show the deterioration of the nutritional status of children (see MDG 1). This increasing trend can be correlated with the impoverishment of large segments of the Palestinian population and the growing food insecurity in the oPt during recent years.

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<tbody>
<tr>
<td>13. Under-five mortality rate</td>
<td>40</td>
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<td>28.7</td>
<td>28.3</td>
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<td>34.8</td>
<td>30.2</td>
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<td>14. Infant mortality rate</td>
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<td>24.4</td>
<td>20.0</td>
<td>24.2</td>
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<tr>
<td>Gaza Strip</td>
<td>30.2</td>
<td>27.3</td>
<td>30.2</td>
<td>27.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. proportion of 1-year old children immunized against measles</td>
<td>48.9</td>
<td>89.1</td>
<td>95.3</td>
<td>98</td>
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<tr>
<td>West Bank</td>
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<td>92.7</td>
<td>93.2</td>
<td>98.2</td>
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<td></td>
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<tr>
<td>Gaza Strip</td>
<td>93.2</td>
<td>98.2</td>
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<td>98.2</td>
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</thead>
<tbody>
<tr>
<td>Percentage of the public expenditure of the health expenditure dedicated to the essential health services package</td>
<td>2.5</td>
<td>4.9</td>
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<td></td>
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<tr>
<td>Proportion of fully immunized children at 24 months</td>
<td>92.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prevalence of stunting in under five children</td>
<td>7.5</td>
<td>9.9</td>
<td></td>
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</tr>
</tbody>
</table>

**NATIONAL CONSIDERATIONS**

As part of its commitment to align its policy and legislation to the Convention on the Rights of the Child, the Palestinian Authority (PA) is dedicated to ensure the realization of the children’s right...
to health and survival. The reduction of child mortality is thus a top priority of the PA. The MDG-target indicator ‘reduction of U5MR’ as well as the above mentioned ‘progress indicators’ and ‘additional indicators’ are important instruments for monitoring the goal in accordance with the PA’s national priorities. Taking into account the overall socioeconomic situation in the Palestinian context, the proposed indicators will support the monitoring of other national priorities, closely related to the achievement of the MDG4, as follows:

- Percentage of the public expenditure dedicated to basic health services: ensures that, in order to achieve the MDG Goal 4, necessary resources are allotted and a socially responsible budget and expenditure process is in place and implemented. This indicator will equally have a strong advocacy value for the international community in supporting the most relevant interventions, which effectively contribute to improve children’s health and nutrition.
- The Gini coefficient: its monitoring will support the Palestinian authority in addressing the disparities and ensuring effective use of public expenditure for the most disadvantaged.
- Coverage of evidence-based interventions that can prevent neonatal death: in the Palestinian context, significant progress toward reducing child mortality can be achieved through the improvement of perinatal health. This strategy, as proposed in the Task Force report, aims at ensuring universal coverage of selected antenatal; intrapartum and postpartum interventions (Task Force report). The adaptation and identification of the specific modalities for monitoring the progress in scaling up these interventions will serve the achievement of national priorities.
- Proportion of fully immunized children at 24 months: The Palestinian authority has succeeded to achieve high immunization coverage for all antigens. In order to better monitor the progress in this area, the percentage of children having completed the immunization schedule, including new vaccines, better reflects the priorities on the ground.
- Exclusive breastfeeding rate at 6 months: Breastfeeding is among the most effective practices in preventing the malnutrition and infectious diseases in infants. The scientific literature suggests better psycho intellectual outcomes in breastfed children, ensuring a nurturing environment and early development of the young child.
- Coverage of micronutrient supplementation in children under five: According to last surveys, around 40 percent of the children under five are suffering of iron-deficiency anemia and about 72 percent of them have different degrees of vitamin A deficiency. Micronutrient deficiencies are thus an important public health problem and their systematic monitoring will help identifying and early addressing the failures.

Challenges

The rights-based analysis of child mortality has identified some weaknesses in the PA’s strategy for safeguarding the rights of the child and suggested specific recommendations for action. The PA’s lack of control over resources, its prioritization in terms of using resources in the health sector together with the deterioration of the socio-economic situation are the root courses for the still very high level of child and infant mortality in the oPt. These factors all contribute to the main underlying causes for child and infant mortality, which are (1) too many, too early and too close pregnancies and (2) inadequate maternal and newborn care, specifically a lack of access to quality maternal and newborn health services.

The main duty bearers having an impact on the issue are (1) families (mothers, caregivers within the family); (2) caregivers at the community level (health, education, caretaking); (3) district health managers; (3) decision and policy makers (in the health sector as well as in related sectors such as agriculture); (4) international policy bodies including the UN. The main gaps identified in duty bearer’s capacity and responsibility are:

- at the family level: insufficient knowledge and awareness on the practices for care, delays in seeking obstetric and pediatric care, and insufficient family responsibility in ensuring a nurturing and protective environment for future mothers
- at the community level: insufficient coverage of VHW (Village Health Workers) system in remote areas which are difficult to access; insufficient number of skilled attendants at birth at the community and basic services level; insufficient skills of the traditional birth attendants, insufficient youth friendly services at the community level
- at the national level: lack of policy and support for introduction of new vaccines (ex HiB); a lack of tools and processes for monitoring the expansion of the IMCI approach at the national level; insufficient legislation on quality of food and food security; insufficient availability of awareness materials on newborn and perinatal complications, lack of strategies for benefiting

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46 Appropriate modalities for measuring the indicator ‘Coverage of evidence-based interventions that can prevent neonatal death’ still have to be agreed upon.
47 Although this is a nationally endorsed strategy it lacks focus and integration in national health plans.
unreached / difficult to reach (“missed”) children; sustainability issues within the health system – i.e. lack of a comprehensive action toward reduction of maternal and newborn mortality, biased by a project approach, in absence of a national sectoral plan

Other challenges are: difficulties in transportation of the vaccines in remote and closed areas; the low quality of health services such as injection safety; the mobile systems for delivery of care are insufficient and do not provide enough quality services; there is only insufficient coverage of the IMCI services; there is no involvement at the present time of other stakeholders (both of private stakeholders and UNRWA); there is a lack of a system for notification and classification of causes of death which results in a poor identification of problems and a insufficient follow-up of corrective actions.

**SUPPORT FRAMEWORK**

- Advocacy to maintain the child health on the political agenda as part of the follow-up of the Millennium Development Goals and sustain the institutional framework for the IMCI initiative
- Increase involvement and partnership with other stakeholders (WHO, Save the Children; other NGOs)
- Complete the IMCI implementation - specially the expansion of capacity building, the full preparation of the community package and including other stakeholders;
- Sustain emergency services to provide quick referral of maternal and child health emergencies
- Continue and strengthen the monitoring of the EPI system
- Data collection needs to be improved; good population figures to be agreed (vital statistics / death and birth statistics)
- Health education / community awareness on congenital malformation in relation with utilization of emergency obstetric care and antenatal care services
- Identify ways of improve the VHW system (i.e. workload, services)
- Conduct an EPI review to identify strategic developments
- Support integrated programmes for reduction of maternal mortality, as part of comprehensive sectoral plans at mid-term and long-term;
- Document knowledge on the maternal mortality and severe morbidity, both on quantitative and qualitative aspects

**Goal 5 | Improve maternal health**

The methodologies currently in use for calculation of maternal mortality rates in the oPt present divergent figures and are therefore unreliable. Also, no national targets have been set to date. However data on the percentage of women delivered by a qualified skilled birth attendant is recorded at 98.3 percent according to the Demographic Health Survey of 2004 conducted by the Palestinian Central Bureau of Statistics.
**Trends based on existing data**

The trend of some proxy indicators of maternal mortality as infant mortality, prenatal visits, and deliveries made by qualified personnel as well as the total fertility rate may support the continuous decline of the MMR. Indicators of major causes of maternal mortality seem to be indicative of shortcomings in quality of health care in general and lack of access to care in emergency situations. This trend towards reduced MMR may be corroborated by the high proportion of women delivered by skilled birth attendants, currently at 98.3 percent (PCBS, MDG update 2005).

**Universal Access to Comprehensive RH Care Necessary for Improved Maternal Health**

The new trend in the fertility decline, estimated as 4.5 in 2005 vs. around 6 in 2000, is a sign of sociological changes and may reflect a significant emergent demand for RH services in the near future. The DHS data in 2004 showed an increase in desire of women of child bearing age to stop having children (51.7 percent) indicating an unmet demand for RH/FP services that should be adequately addressed through a comprehensive approach ensuring universal access to care. CPR is over 50 percent (for modern and traditional methods) and 35.7 percent for modern methods in the oPt according to the DHS 2004. According to UNRWA statistics on health coverage, there has been a steady increase in the number of pregnant women registered for ante-natal care between 1996 and 2003. Yet, the rising trend was only recorded among the refugee population in the Gaza Strip (4.6 percent increase in the number of pregnant women registered), while no change was reported in the West Bank. (UNRWA Annual Statistical Report, 2003).

Provision of essential RH services dropped from 82.4 percent to 71 percent at the end of 2003\(^48\). However, between 1997 and 2003, the number of family planning clinics in the oPt increased from 97 to 197; 44 in Gaza and 153 in the West Bank\(^49\). For RH, there are four factors jeopardizing health care provision in the oPt; the most important of which is quality of care.

- Despite the fact that 98.3 percent of pregnant women are delivered by a skilled birth attendant (DHS 2004, PCBS publication), concerns about the numbers and types of health providers remain.
- The second factor is limited accessibility as a result of closures and reduced affordability of certain services, including postnatal care, obstetric care, psychosocial support and expanded family planning method mix (especially those not currently in the comprehensive package of services).
- Staff capacity and their ability to deliver appropriate and timely RH services (ante/post natal care, delivery services, counseling and family planning) is the third factor. Adherence to protocols and guidelines through training and supervision are all part of the capacity development measures that will ensure appropriate care and response.
- The fourth factor is in relation to RH commodity security and logistic supplies systems that can accommodate the unmet needs for family planning and other RH services, most notably, through the logistic system at the MoH.

### MDG Indicators

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<th>Indicator</th>
<th>1996</th>
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<th>2004</th>
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<td>96.8</td>
<td>98.5</td>
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<td>Gaza Strip</td>
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<td>95.7</td>
<td>97.6</td>
</tr>
<tr>
<td>17. Proportion of births attended by skilled health personnel</td>
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### Additional oPt MDG Indicators

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<td>2. Contraceptive prevalence rate</td>
<td>1.5</td>
<td>2.8</td>
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</tr>
</tbody>
</table>

38 OCHA Review of the Humanitarian Situation in the oPt for 2004, p.7, WHO Website
39 MoH Annual Report, 2003, p7

**NATIONAL CONSIDERATIONS**

**Quality of Care: Next Step Forward**

The vast majority of pregnant women have received some antenatal care, with coverage at a high in 1996 and remaining so in 2004 (96.5 percent). At UNRWA clinics, there has been a marked increase in the proportion of pregnant women registering in the first trimester in the West Bank and Gaza.
Strip since the start of the Intifada, up from 8.7 percent to 39.3 percent and 5.8 percent to 52.1 percent in West Bank and Gaza Strip, respectively, between 1999–2004. While the number of visits is more frequent in some parts of the country than necessary, there is a real need to improve the quality of care. According to PCBS, the most commonly reported health problems during pregnancy were urinary tract infections (24.4 percent in the oPt and reaching 29 percent in the West Bank); anemia (21 percent); acute headache (20.1 percent), swelling in the body or face (17.9 percent), and reproductive tract infections (13.9 percent). Anemia in particular, seems to be dealt with ineffectively, whereby a 2002 survey found that 31.1 percent of pregnant women were anemic (PCBS and Birzeit University 2002). Half of those anemic women (53.5 percent) were on iron supplementation, and no association was found between the prevalence of anemia and the duration of iron supplementation, although iron supplementation is known to increase hemoglobin levels within two weeks-1 month of starting therapy. Optimal immunization coverage has been maintained against tetanus in UNRWA and MoH clinics.

While the proportion of deliveries in health institutions is increasing and reaches 96 percent in 2004 (DHS), operative deliveries in obstetric services have also risen considerably. The MOH reported high rates of Caesarian section in some PA hospitals in 2002: 18-19 percent in Jenin, Tulkarem, Rafidia and Shifa hospitals (14 percent reported in mid-2005; MoH Gaza). The reasons for this rapid increase are partially related to the emergency situation such as delayed arrivals (actual or feared) at the hospitals due to closures, siege and curfews. Diminished quality of antenatal care, declining health status of pregnant women (one-third anemic), quality of care during delivery with routine unnecessary interventions, stressed obstetricians who practice in more than one institution and laboring women who are anxious to get back home are all contributing factors. Increased emphasis on birth spacing and family planning could also have a positive impact in avoiding the consequences of unsafe abortion. Thus, an integrated package of RH services that hovers around FP and increased access to appropriate health care facilities and qualified personnel is essential.

**Improving Postpartum Care Ensures Better Maternal Health Outcomes**

Postpartum care coverage appears to have increased over time in the oPt from 19.7 percent in 1996 to 26.3 percent in 2000, but needs to be reinforced, with approximately two-thirds of women (65.5 percent) in the oPt not receiving any postpartum care (PCBS 2004). Post-natal coverage in the Gaza Strip has dropped recently, from 96 percent in 2003 to 92.9 percent in 2004 at UNRWA clinics.

**Access to Antenatal and Postnatal Care**

The limited utilization of services was noted despite the fact that women reported high morbidity after childbirth (PCBS 2001, p.151). The content of the postpartum visit, especially in terms of what it offers to the women and not just the newborn, leaves room for improvement. Reported variations between the West Bank and Gaza Strip with regard to the components of postnatal care visits may indicate a lack of utilization of standardized procedures and guidelines.

In a survey of a representative sample of 3,025 women in the West Bank and Gaza Strip, it was found that, among the small percentage of women who did seek postpartum care, only 55 percent reported having a physical exam, only one-half received family planning services, and only 60 percent received any family planning counseling (USAID/WBG 2003). In contrast, the proportion of women reporting that the visits included baby check-ups, newborn vaccination, and weighing and measuring were 74.5 percent, 72.1 percent, and 77.3 percent, respectively.

**Integration of Comprehensive RH Services in Health Care System Critical to Gender Equity and Improved Survival**

Between 1997 and 2001, the number of family planning clinics in the oPt increased from 97 to 178. Within approximately the same time period (from 1996 to 2000), the percentage of married women in the reproductive age using any family planning methods rose from 45.2 percent to 51.4 percent and remains constant between 2000 and
2004 (50.6) percent. However, results show that use of contraception is low for the age group 15-24, but increases with women’s education level. The issue of mainstreaming youth-friendly RH services into the PHC system should be made a priority given the promotion of young people in the OP. While modern contraceptive methods (34.4 percent) constitute a significant proportion out of the total contraceptive prevalence rate, the IUD is still by far the most utilized method.

In order to ensure universal access to RH package, integration of RH services in to PHC clinics is needed. Given the restricted movement which makes it difficult for women to visit different centers and for physicians to reach the services an integrated package is key to quality of care and improved outcome. Better quality at a low cost would be the best strategy to increase women’s demand for the services, particularly in underserved areas. The comprehensive approach also allows for addressing the life cycle needs of women, girls and couples, and thus meeting the need more effectively.

### SUPPORT FRAMEWORK

**National Commitment to RH as a Key Measure for Meeting MDG Agenda**

The PA’s commitment to improve health services with a particular focus on maternal and youth reproductive health. Moreover, the National Health Plan 1999-2003 addressed the reproductive health issue as one of the important areas that the MoH is keen to highlight. The document itself entails, among other things, the establishment of the “Women’s Health and Development Directorate” as further expression of the PA’s commitment to women’s and reproductive health. Priority issues in the area of RH were addressed clearly in the national health plan and translated into the plan of action of the MOH. This includes the integration of RH within the PHC setting, expanding the package of services to include family planning and counseling, early detection of most common RH cancers, strengthening ante/post natal care and improving research capacity. Since then, RH and women’s health indicators have become an integral part of the national statistical health information system.

However, such commitment is not adequately linked or reflected in the central PA planning document, the Mid-Term Development Plan (MTDP). The MTDP focuses on poverty reduction, and rightly so in the Palestinian context, given that poverty rates were estimated in 2003 at over a third of the adult population with important differences between the Gaza Strip and the West Bank. However, cross linkages to social welfare sectors for poverty reduction, including health, have not been elaborated sufficiently in terms of target indicators or strategies. This is despite the fact that the latest available data indicate that Palestinian families made important sacrifices to maintain acceptable levels of health conditions regardless of the socioeconomic conditions, frequent closures and difficulties in accessibility to health services.

### CHALLENGES

- Focus on better management of RH care services at the primary level including:
  - Universal access to comprehensive RH services: this includes psychosocial care for women, family planning means and counseling, appropriate ante/post natal care, HIV/AIDS initiatives and screening for reproductive cancers. This should also include emergency obstetric care and appropriate referral.
  - Health System Financing: current reform in the PA vis-à-vis health allocation and expenditures needs to seriously consider the savings, both financial and human, that the introduction of an equitable health delivery system inclusive of RH would have. Currently, the PA mechanism for governmental allocation to health is about 7 percent of the national budget. Moreover, cost recovery mechanisms for the MoH that protect the poorest sectors must be secured. User fees for basic health services need to be critically reviewed, and reduced to a bare minimum or exempted for social cases.
  - RH Commodity Security: ensuring that an accurate and responsive logistic system for RH commodities and supplies is in place will help to ensure services are able to function correctly.
  - Strengthening the capacity for home-based post-partum care would increase coverage, particularly in rural areas and those isolated as a result of restricted mobility due to closures and the Israeli Separation Wall.
  - RH services that hover around FP and increased access to appropriate health care facilities and qualified personnel is essential, including for reduction of the adverse outcomes of unsafe abortion and avoidable medical interventions such as C-section.
  - Expand the contraceptive method mix (especially in the West Bank). This needs to be supported by inclusion of strengthening technical and institutional capacity to provide counseling for couples’ choice of family planning options.
  - Improve the health surveillance system and cancer registry to undertake effective prevention programmes, including breast examinations, pap smears and routine mammography.
  - A life cycle approach needs to be strengthened
in order to allow the response to the emerging
needs mainly for youth, the treatment of
menopause and to take in consideration within
the package of RH services gender issues such
as early marriage and GBV.

- Train health providers residing in areas of
  restricted mobility, including those surrounded
  by the Israeli Separation Wall, in provision of
  EOC for improved maternal outcome measures in
  identifying high risk pregnancies, ensuring safe
delivery and referral of complicated cases after
stabilization as well as ensuring better neonatal
care for improved child survival.

- Advocacy among policy makers needs to be more
  assertive for increasing national expenditure to
  the health system.

- Ensure national planning processes/frameworks
  including updates of the MTDP, the new National
  Health Plan and the Health Sector Review, fully
  integrate RH and women’s health comprehensive
  needs.

**Goal 6** | **Combat HIV/AIDS, malaria and other
diseases**

On Target 7, the Palestinian Authority has not yet
set clear targets for HIV/AIDS. The challenge is to
maintain the low incidence levels, build awareness
on prevention, and provide assistance to the PA for
a multi-sectoral approach to combating HIV/AIDS
in the future.

Regarding target 8, Malaria has been eliminated
in the oPt. However, the prevalence of malaria in
neighbouring countries requires close monitoring of
mosquito breeding areas. For other communicable
disease such as polio and tuberculosis, the number
of reported cases has been almost negligible. Also,
due to good coverage of vaccination programmes
and the improvement in surveillance systems, it is
likely that the target will be reached by 2015.

**Target 7:**
Have halted by 2015 and begun to reverse the
spread of HIV/AIDS

**Target 8:**
Have halted by 2015 and begun to reverse the
incidence of malaria and other diseases
Combating HIV/AIDS

The data available for occupied Palestinian territory (oPt) shows that the incidence rate of HIV/AIDS is low. Reporting of HIV/AIDS started in 1986 whereby according to the HIV/AIDS Surveillance Report 2003, there were 41 reported AIDS cases and 14 cases of asymptomatic HIV infection (73 as per MoH statistics, 2004, where east Jerusalem residents are included in the statistics). Of the known AIDS cases in the West Bank and the Gaza Strip, 36 were male and 4 were females, with the predominant modes of transmission being heterosexual contact (54.5 percent) followed by transfusion of blood and blood products (18.2 percent), most of which were in cases where blood transfusion was received abroad. In combating HIV/AIDS, condom availability is a key intervention as a preventive measure. According to national statistics (MoH 2003 Annual Statistical Report), 30 percent of urban area clinics and 39 percent of those outside urban areas, have male condoms available. The overall CPR (modern methods only) is 35.7 percent according to the PCBS Demographic and Health Survey 2004. All blood donors and newly appointed governmental employees are screened for HIV/AIDS.

Sexually Transmitted Diseases (STIs) and HIV/AIDS

In 2002, the most commonly reported symptoms of STIs were vaginal discharge (78 percent), lower abdominal pain in women (18 percent), and neonatal conjunctivitis. According to etiologic diagnosis, the most common STIs were pelvic inflammatory disease (37 percent), candidiasis (47 percent), and bacterial vaginosis (12 percent). Management of STIs has been increasingly integrated into the primary health care system (100 percent of UNFPA supported clinics), but HIV/AIDS management centres are only 15, scattered throughout the West Bank and the Gaza Strip. According to the 2004 epidemiological record of WHO in the oPt, a significant number of cases of STDs were recorded (10625 for Gaza Strip and 24769 for the West Bank). This has implications for the transmission of other STDs such as HIV/AIDS.

Youth and STIs, including HIV/AIDS

In the oPt, it is important to consider that young people aged 10-24 represent nearly one-third of the total oPt population (32.4 percent according to PCBS statistics; Aug. 2005). Their needs in particular regarding access to information on primary prevention of AIDS as well as other sexually transmitted infections (STIs) is critical to the health and well-being of these young people in their adulthood. Awareness of youth on HIV/AIDS and STIs seems to have increased during the few years. The PCBS youth survey of 2003 indicated that approximately two thirds (61.8 percent) have heard about sexually transmitted diseases, with an equal distribution between males and females. Predictably, knowledge of STDs increased steadily with age, reaching 77.7 percent in the 15-19 age group and peaking at 85 percent in the 20-24 age. Curricula and teacher-provided information constitute the main sources of information (73 percent) and (97.4 percent) for males and females respectively. This has implications on identifying strategies targeting the young people. Recent efforts to integrate RH concepts into school curricula have been successful and need to be reinforced.

Combating Other Communicable Diseases

The policy of the Ministry of Health is to reach the lowest prevalence rates accepted by WHO. Efforts towards the eradication of most vaccine preventable

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50 Indicators related to sexually transmitted diseases need to be tracked due to the correlation between HIV/AIDS vulnerability/susceptibility and STIs.
diseases were made by the Ministry with success. Good coverage of vaccination programmes, early detection of diseases and health education are the main tools used by the Ministry to achieve the main goal. During the period October 2000 – August 2005 vaccination coverage was maintained in spite of the closures, curfews and other measures of the occupation. No cases of Schistosomiasis, leprosy, diphtheria have been reported since 1982 and no cases of poliomyelitis since 1989. Also no cases of rabies, measles and cholera were reported in 2003.

■ Tuberculosis

The Ministry of Health is implementing DOTS since 1996. Vaccination coverage is very high; according to the MoH report 2003 it was 99.5 percent. No new cases of children under 15 years old have been found. There were 27 pulmonary and 24 extra pulmonary adult cases reported in the year 2003.

■ Poliomyelitis

Poliomyelitis has been well controlled over the past twenty years through high vaccination coverage, national immunization days and mopping up for high risk areas when needed. Last diagnosed cases of poliomyelitis in oPt were two cases in the year 1988. Since that time no poliomyelitis cases were reported in the oPt. Following the acute flaccid paralysis (AFP) as an indicator for the eradication of poliomyelitis, the Ministry of Health has considered the Palestinian territory free of Poliomyelitis and applied for certification of polio eradication. AFP indicator exceeded 1 percent from 1995 until the year 2000. After that there was underreporting whereby AFP dropped to less than 0.3/100.000; most probably due to the difficulties in the monitoring and surveillance system. In 2005 this indicator increased to 0.8/100.000. The surveillance of AFP should improve especially in the Gaza strip, since no cases have been reported in the year 2003.

■ Measles

The Ministry of Health set the year 2010 as a target year to eliminate the measles. In order to achieve this goal the Ministry of Health adopted the policy of vaccinating all children at the age of 9 months with a dose of measles vaccine and at the age of 15 months with one dose of MMR vaccine. In the year 2004 the Ministry of Health conducted a serosurvey for some infectious diseases which showed low immunity against measles (70 percent) in spite of high vaccination coverage. Due to this a massive catch up campaign was conducted. No cases of measles were reported this year and any suspicion is ruled out serologically (negative IGM).

■ Hepatitis B

Hepatitis A, B and C are endemic in the oPt. The incidence of Hepatitis B is strongly decreasing since the year 1992 after introduction of the anti-Hepatitis B vaccine as part of the expanded programme of immunization for children and for high risk groups. Vaccination of the sexual partner of any diagnosed new case is routine. A first dose of anti-Hepatitis B is also given to all newborn children.

Prevalence rate of Hepatitis B was 5.7 percent in the year 1995 and reduced to 3 percent in the year 2003. The Ministry of Health set a target to reduce the incidence rate of the disease in the country to 1 percent by the year 2015.

■ Malaria

No indigenous cases of malaria were reported for more than twenty years and thus the oPt has managed to eliminate malaria. Due to the increased incidence of malaria in Israel and the presence of the disease endemic in other neighbouring countries, the MoH should be alert and keep continuous control on the mosquito breeding areas.

Access to life-saving drugs

In the year 2000 the Palestinian Ministry of Health with support from the WHO built a national Essential Drug List (EDL) which was revised and updated in the year 2005.

NATIONAL CONSIDERATIONS

A number of steps have been taken by the oPt to deal with STIs, including HIV/AIDS, including implementation of screening of the blood supply (for HIV and HBV since 1989 and for HCV since 1994), conducting numerous training sessions and awareness workshops for different segments of the population (such as youth and categories of health work professionals), providing free voluntary testing for HIV infection once a week in all districts of the oPt, the establishment of a National Committee for Combating AIDS in 1995 (though strengthening the NAC’s capacity for a multidisciplinary approach is crucial), and implementation of the Syndromic Approach to the diagnosis of STIs. The MoH currently provides counselling and testing on voluntary basis only. Treatment of cases has been costly and even health providers have been reluctant to discuss it among themselves. The movement of the workforce, emigration to various countries with different cultural norms, and the continuous interaction of the Diaspora, and the population of the oPt make a terrain susceptible to HIV/AIDS transmission. In regards to HIV/AIDS and sexually transmitted infections, one of the
potential adverse consequences in the oPt is the probability of building up pockets of vulnerabilities created by conditions of strife. On the contrary; certain predisposing factors such as increased poverty, global travel and changing social attitudes among youth in the oPt, may lead to an increased incidence of new cases of HIV/AIDS.

Health promotion for young people should be based on a life cycle approach and a focus on a holistic concept of well-being in addition to prevention of disease. Access of young people to health services should be addressed on different levels, including the primary health care level. Youth clubs may also represent a potential environment for awareness raising and dissemination of information.

CHALLENGES/SUPPORT FRAMEWORK

- Develop a national, multisectoral strategic response for combating HIV/AIDS that includes appropriate integration into sectoral/line ministry plans. This should include adapting a preventive approach that would prevent the pushing of the issue of STDs down the agenda for national action because of vying priority issues.
- Reliable data in key areas such as mortality and morbidity are lacking in the oPt, efforts are made by the Ministry of Health with support of Donors and UN agencies to strengthen the capacity of the Ministry in reporting and data collection, data analysis and building sufficient surveillance systems especially for HIV/AIDS and other communicable diseases.
- Vector control and environmental control measures are also maintained.
- Protocols and guidelines for the protection of health workers and the spread of infection should be reviewed in different health services.
- Develop a national strategy/policy document for youth that would ensure meeting youth needs (including those who have left school), especially for access to appropriate information and youth-friendly services and promoting positive behavioral change.
- Ensure adequate and affordable treatment for HIV/AIDS cases. Treatment should be inclusive of drug therapy, counselling services and regular serological testing.
- Mainstream preventive testing and counselling into health services.
- Improve national capacity for management of HIV/AIDS and other communicable diseases.
- Ensure adequate funds for national plans at combating HIV/AIDS through the Global Fund (as well as other donors)

### Cumulative Number of HIV/AIDS by mode of transmission in oPt 2003

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<th>Vertical Transmission</th>
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<td>Homosexual</td>
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### Reported cases of pulmonary and extra pulmonary tuberculosis in oPt

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### Goal 7 | Ensure environmental sustainability

Environmental protection and the integration of sustainable environment concerns into national policies is a recent concern in the oPt and has long been overshadowed by the conflict. Israeli occupation since 1967 has affected every aspect of Palestinian environment, and particularly the control over land and natural resources - particularly water - which has been and remains at the heart of the conflict. In 1999, the Palestinian Environmental Law No. 97 was signed by the PA President and the 2005 draft Palestinian Constitution reiterates that the environment is a basic human right. The Ministry of Environmental Affairs (MENA), restructured into...
the Environmental Quality Authority (EQA) faces two kinds of challenges. There are long-term environment challenges that need to be addressed in parallel with the additional environmental risks and damages created by the ongoing conflict, and many long-term environmental solutions cannot become reality without a peace process for the region. Considering the current trends, the persistence of the conflict and the levels of environment protection in the oPt, it is unlikely that Goal 7 will be met by 2015. Access to decent housing is an important consideration in the oPt because of the conflict over land and high population density, including in refugee camps.

**Target 9:**
Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources

**Conflict-related Environment Deterioration**

The trend has been of long-term environmental degradation occurring over the decades spanning several conflicts. Some of the problems come from scarcity of water and land, rapid population growth, long-lasting refugee situation, climate change, desertification and land degradation\(^{51}\). One area where the situation has deteriorated critically in the past decade is green lands. As shown in the table below, both the percentage of land area covered by forests and of land protected to maintain biological diversity have dropped. This is a direct consequence of the conflict and the limited Palestinian control over natural resources.

The oPt is primarily dependent on non-renewable sources of energy, most of which are imported from other countries. About 85 percent of electricity consumed in the oPt and all petroleum products are currently being imported from Israel and through Israeli companies. Energy consumed in oPt has increased in spite of the economic stagnation, and almost half of the electrical energy consumed goes to domestic use. Distribution lines have been greatly affected by the conflict.

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</thead>
<tbody>
<tr>
<td>25. Proportion of land area covered by forest</td>
<td>4.3</td>
<td>1.5</td>
<td>1.5</td>
<td>1.6</td>
<td>1.5</td>
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<tr>
<td>West Bank</td>
<td>1.5</td>
<td>1.6</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
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<tr>
<td>Gaza Strip</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
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</tr>
<tr>
<td>26. Land Area protected to maintain biological diversity (square kilometers)</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>27. Energy use (kilograms of oil equivalent) per US $1 GDP (PPP)</td>
<td>148.5</td>
<td>123.6</td>
<td>117.6</td>
<td>629.4</td>
<td>694.4</td>
</tr>
<tr>
<td>28. Carbon dioxide emissions (per capita) and consumption of ozone-depleting chlorofluorocarbons (ODP tons)</td>
<td>30.3</td>
<td>25.2</td>
<td>30.0</td>
<td>27.4</td>
<td>22.9</td>
</tr>
<tr>
<td>West Bank</td>
<td>36.1</td>
<td>29.7</td>
<td>35.5</td>
<td>694.4</td>
<td></td>
</tr>
<tr>
<td>Gaza Strip</td>
<td>25.2</td>
<td>22.9</td>
<td>27.2</td>
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</tr>
</tbody>
</table>

\(^{51}\) UNEP, Desk Study on the Environment in the Occupied Palestinian Territories, 2003
Some environmental initiatives in the oPt include:

- Establishing a Palestinian energy information center
- Rehabilitation of landfill sites
- Improving capacity building of service providers
- Conducting public awareness campaigns on recycling issues and techniques
- Replanting areas uprooted by occupying forces
- Supporting agro-biodiversity by promoting in-situ and on-farm conservation of landraces and wild relatives of crops

**Target 10:**
Halve, by 2015, the proportion of people without sustainable access to safe drinking water and sanitation

### Progress to date

The high percentage of household connections does not reflect the fact that the quantities of water available are considerably below international minimums, and that the quality of the water has been degrading both in the Gaza Strip - chemical pollution with high concentrations of chlorides and nitrates, and in the West Bank - biological pollution. In Gaza, high chloride concentrations result from over-abstraction and sea water intrusion, while the nitrates concentrations - mainly in Khan Younis - result from wastewater infiltrations into the ground water resources and polluting the coastal aquifer. Water resources remain controlled at 80 percent by Israel - namely the Israeli Water Supply Company, Mekkeroth, which supplies many Palestinian municipalities. Water quantity issues should be stressed as it has implications for the Palestinian average domestic per capita consumption which is a key indicator for the wellbeing of any community. In the oPt, it ranges between 50 and 70 liters, below the WHO’s 100 l/c/d (liters per capita per day) recommended minimum. In certain communities, consumption drops below 10 l/c/d.

Since the establishment of the Palestinian Water Authority (PWA) in 1995, substantial progress has been achieved in the water and sanitation sector. Data from the Palestinian Bureau of Statistics show that there has been an increase in the percentage of Palestinian households directly connected to water networks between 1998 and 2004. In 1998 and as a result of economic growth 85.9 percent of Palestinian households became connected to the drinking water networks. As a result of demand to connect the newly constructed buildings to water during that period, there was a slight drop on the supply part. This drop continued during the first 2 years of the second Intifada then supply started to increase and by 2004 almost 89.2 percent of dwellings became connected to piped water.

Sanitation services remain unsatisfactorily low even though the percentage of housing units which became connected to a sewage public network has increased from 33.7 percent in 1995 to over 52 percent in 2004. In Gaza, access to sewerage facilities varies from areas where more than 80 percent of the households are served by well-functioning sewerage systems, to areas where there is no sewerage system at all. On average, it is estimated that about 60 percent of the population is connected to a sewerage network. In the West Bank, only 30-35 percent of the population as a whole is connected to sewerage networks, but 70 percent of houses in the main West Bank cities are connected.

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52 In the West Bank, insufficient water quality is of a biological nature and is largely restricted to communities with no or limited access to water supply, especially during summer
54 PCBS 2004
Regional disparities lie in the quality, pricing and per capita consumption

The water situation is most stringent in the Gaza Strip, where the average per capita provision would fall well below 50 l/c/d already by 2008 if no adequate measures are taken\(^{61}\). The dramatic deterioration of the Coastal Aquifer is caused by untreated wastewater discharge, infiltration of chemical fertilizers, and above all, by over-extraction rates exceeding sustainable yields by around 300 percent. Seawater intrusion and saline up-coning imperils the geological resilience. Due to nitrates and chloride levels substantially exceeding WHO standards, 91 percent of the water delivered from municipal wells is considered unsuitable for human consumption. Consequently, although 98 percent of the population have household connection with an average daily capita consumption of 71 liters, the real consumption rates in the Gaza Strip is to be considered as only around 15 l/c/d\(^{62}\) if quality and supply intermittences are taken into account.

The main issues at stake in the West Bank are substantially different. Coverage of unconnected households is around 30 percent, with about 200 communities lacking direct access to water, depending mainly on rain water harvesting (cisterns), unregulated water vendors, or unprotected springs. Biological and bacterial contamination of surface water resources and of the tanked unregulated water is the main threat. Solutions such as chlorination, are often straight forward but due to weak institutional arrangements, the lack of a legal framework, and proper enforcement mechanisms, water quality continues to be an issue that threatens public health. Regulations regarding unlicensed water vendors should be enforced while raising public awareness regarding water quality issues and its adverse effect on human health.

East Jerusalem’s water service is shared between an Israeli (Jaihoun) and a Palestinian (Jerusalem Water Undertaking) water provider. While the former complies with good service standards, communities supplied by the latter experience low network pressures and suffer from regular water shortages due to intermittent distribution. As a result, especially in the dry season, they are dependent on less reliable water quality sources, mainly cisterns.

### NATIONAL CONSIDERATIONS

#### Political causes of scarcity:

The military occupation has adversely impacted water and sanitation development in particular. The naturally limited availability of water in the region, combined with deteriorating resources (physical scarcity) is exacerbated by escalating population requirements, due to demographic growth and the right to further development (socially-triggered scarcity).

#### Water rights and equitable allocation:

The ongoing dispute over water rights remains the underlying deadlock encumbering any water-

<table>
<thead>
<tr>
<th>MDG Indicators</th>
<th>1996</th>
<th>1996(^{56})</th>
<th>1997(^{57})</th>
<th>1998(^{58})</th>
<th>1999(^{59})</th>
<th>2000(^{60})</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>30. Percentage of households with a connection to public water networks</td>
<td>79.6</td>
<td>84.1</td>
<td>83.6</td>
<td>85.9</td>
<td>84.8</td>
<td>96.2</td>
<td>97</td>
<td>97.9</td>
</tr>
<tr>
<td>31. Percentage of households with a connection to public sewage networks</td>
<td>33.7</td>
<td>34.0</td>
<td>32.9</td>
<td>37.9</td>
<td>39.3</td>
<td>42.8</td>
<td>52</td>
<td>52</td>
</tr>
</tbody>
</table>

\(^{55}\) These are close versions of the MDG-indicators 30 and 31.


\(^{59}\) PCBS (2000), Household Environmental Survey 1999.

\(^{60}\) PCBS (2001), Housing Conditions Survey 2001 [main results].

\(^{61}\) Palestinian economic council for development and reconstruction (2001), Palestinian Water Strategic Planning Study, The technical assistance and training department (PECDAR).

\(^{62}\) Palestinian economic council for development and reconstruction (2001), Palestinian Water Strategic Planning Study, The technical assistance and training department (PECDAR).
related bi- or multi-lateral negotiating process. Equitable allocation of resources (both on an absolute and per capita basis), based on a Minimum Water Requirement (MWR) approach, seems to be the sine qua non condition to break out from this impasse as the oPt is left with a mere 15 percent of their groundwater resources. On average, Israeli settlements consume around 6 times more water per capita, than surrounding Palestinian communities.

“Water violence”:

Occupation and closure hampers water tankers, sanitation services and maintenance teams to reach their destination. Military incursions and deliberate settler vandalism on water infrastructure have resulted in over $15 million in damages (excluding subsequent water losses or damages to sewage infrastructure).

The Israeli Separation Wall:

Upon completion of the Barrier’s three planned phases, it will annex 43.5 percent of Palestinian land and consequently, an additional 65 percent of the coveted Western Aquifer Basin (WAB). Some 20,000 individuals will be separated from their agricultural lands and numerous Palestinian wells will become inaccessible. Hence, nearly 50 percent of the 51 communities located on the Wall’s path will be hindered to irrigate their land.

Water pricing and cost-recovery:

Israeli water supplier, Mekkoroth, applies differential water tariffs for Palestinians and settlers, benefiting from governmental subsidies. In certain areas of the oPt, due to high water bills and rising unemployment, the inability to pay water bills reaches 100 percent. In any case, unconnected communities are the most adversely affected; they often depend on unregulated water tanker deliveries who charge high prices for poor quality water. Although marginally increasing tariff structures have been developed for the oPt, an effective, transparent tariff system and procedures for collections should be developed and enforced throughout.

Target 11:

Have achieved, by 2020, a significant improvement in the lives of at least 100 million slum dwellers

Progress to date

According to the PCBS statistics, there has been an increase in the percentages of household owning a housing unit from 78.1 percent in 1997 to more than 82 percent in 2004. However, this figure masks regional differences, as a higher proportion of households own their dwellings in the Gaza Strip than in the West Bank. The percentage of households renting housing units have increased from 9.7 percent in 1997 to 11.4 percent in 2004. There is no variation in tenure between Palestinian refugees and non-refugees. Nine out of 10 refugees reported to own their dwelling. Yet, in addressing households owning within the refugee population it is important to clarify that, from a legal point of view, refugees living inside the camps do not own their dwellings.

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their dwelling. Refugee camps were originally set up on land allocated by the host government or, in most cases, on privately owned land leased by the host government. Refugees living in camps only have the right to “use” the land for a residence.

**NATIONAL CONSIDERATIONS**

**Housing in the Palestinian Refugee Camps:**

The type of housing initially set up for refugee households in the camps erected after the 1948 Arab-Israeli war to replace tents were “shelters”, or small single detached dwellings. Since the initial setting up of shelters, the stock of refugee housing in the camps has changed considerably – a necessity given that the population has increased but the camp borders have not. The refugee camps in the Gaza Strip have one of the highest population densities in the world.

**House and property demolition:**

In the period 1987-1997 Israel completely demolished 449 houses as punishment, partially demolished 62 houses, completely sealed at least 296 houses and partially sealed 118 houses. In the period October 2001 to 2 December 2002, Israel completely demolished 96 houses. A damage assessment by the Palestinian Ministry of Public Works and Housing estimated the number of damaged and destroyed private dwellings in the oPt since the start of the second Intifada, for any reason, at 63,000. Some units have already been repaired, however, about 40,000 housing units still require repair and rehabilitation.

**Sufficient living area:**

Households in the oPt have at their disposal on average one room per 1.91 persons. Gaza is clearly more crowded than the West Bank, at 2.1 persons per room against 1.8 persons per room. Urban areas appear less crowded than rural areas, which in turn are somewhat better off than refugee camps.

**CHALLENGES / SUPPORT FRAMEWORK**

**Environment**

- The PA Environmental Strategy for the coming ten years sets priorities for the next three years under the following five lines of action:
  1. Policy, Planning, and Environmental multilateral agreements
  2. Legal, Regulatory and Enforcement
  3. Environmental Protection including solid and liquid waste and industrial pollution management
  4. Environmental Resources Management covering biodiversity, natural protected areas, desertification
  5. Coastal Zone Protection

The main challenges under the five PA lines of action regarding environment are the following:

- Strengthening the capacity of environmental institutions and coordination between environmental institutions.
- Harmonizing environment statistics and setting up monitoring systems to control environment protection priorities through a set of oPt-localized environmental indicators
- Providing a harmonized legal framework and developing enforcement mechanisms and capacities to enforce regulations and laws.
- Enhancing pollution control through improving environmental services and maintenance and regulating hazardous waste transportation and circulation between oPt and Israel
- Rationalizing the use of natural resources by developing and updating National Environmental Action Plans.
- Protecting and conservation natural reserves and the coastal zone in the Gaza Strip.
- Developing a comprehensive and a participatory Awareness Program addressing all aspects of environment in the oPt.

**Water**

- Rehabilitating and upgrading wastewater treatment facilities, while expanding sanitation infrastructure and services to thwart the deterioration of public health and environment
- Achieving an equitable regional water re-allocation based on the concept of Minimum Water Requirements in the Middle East and continue bilateral negotiations with Israel with international support
- Developing non-conventional water resources with a focus on the re-use of treated wastewater as well as desalination scheme that should be implemented in the Gaza Strip to tackle the freshwater scarcity crisis, while enhancing the national water supply autonomy.
- Developing a comprehensive Palestinian National Water Framework Directive (PNWFD). The need for an Integrated Water Resource Management (IWRM) approach has been increasingly acknowledged. Regional surveys and strategic planning studies have been carried out

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72 PA Environmental Quality Authority, Country Report Meeting of SMAP Correspondents, Brussels, 21-22 June, 2004
73 See for instance, the Gaza Coastal Aquifer Management Program, Integrated Aquifer Management Plan (2000), prepared by Metcalf & Eddy, Inc. for USAID.
according to IWRM principles. A PNWFD should encompass these regional plans and coordinate their implementation at a national level, and ensure that they are user friendly studies. Water management with a PNWFD ought to encompass the three pillars of Sustainable Development.

- Economic: Tariff structures should be harmonized through cross-subsidy schemes to achieve internal consumption equity while ensuring full-cost recovery within the water sector at national level.
- Social: Operationalize pro-active public participation in decision-making process.
- Environmental: Improve the quality of all water bodies (surface, underground- and sea waters) in order to ensure the long-term sustainable yield of life-supporting resources, while ensuring consumer safety by complying with WHO standards by 2015.

**Housing**

- Addressing the absence of a coherent national housing policy or plan for housing development in the oPt, by harmonizing and rationalizing efforts from both national and international experts to formulate national policies and strategies.
- Developing a comprehensive national housing strategy is urgently needed, in order to guide all domestic and international efforts being put into improvements on the Palestinian habitat.
- Under the leadership of the PA Ministry of Public Works and Housing, national and local governmental, multilateral as well as non-governmental institutions with an interest in human settlements, including UN-HABITAT, should participate actively in the process.
- In March 2005 UN-HABITAT has launched the Special Human Settlements Programme for the Palestinian People (West Bank and Gaza) in an effort to reach targets 10 and 11 by 2015.

**Goal 8** | **Develop a global partnership for development**

The eighth goal of the MDG framework relates to the institutional framework required to achieving the previous seven including: the global governance structure for poverty eradication and the responsibilities of the donor community in supporting the achievement of the MDGs.

ODA has been critical in responding to the humanitarian crisis since the outbreak of the Intifada. The broader objectives of state-building and development displayed uneven results, as there was some progress until 1998, but a sharp decline during 2000-2004 – with donor focus on emergency and humanitarian aid. Recently, there has been some shift in donors’ focus, on the post-Gaza Disengagement scenario, with renewed commitment to long-term development objectives.

**Progress in Governance**

Since its establishment in 1994, the Palestinian Authority, with the aid of the United Nations and the international community, has committed itself to the building of credible governmental and public institutions in preparation for statehood. Despite the continuing occupation of the West Bank and Gaza by Israeli forces, and the constraints this reality places on the freedom of movement and the ability of the authorities to connect with their constituents, there have been significant steps forward. This commitment has been reinforced since the ratification of the Basic Law in May 2002 - further amended in March 2003 to allow for the creation of the post of prime minister - and the issuance of a number of reform-based programs by the PA with the assistance of the international community. This document stipulates the creation of an authority consisting of independent executive, legislative and judicial branches of government with a president accountable to a cabinet as well as an elected legislative body.

With the establishment of the Ministerial reform Committee and a technical support unit, the PA has demonstrated its seriousness in working with the international community to advance this agenda. In July 2005, Prime Minister Ahmed Qurei addressed a meeting of the task Force on Palestinian Reform and stated in very clear terms his commitment to work with the international community on the reform agenda. Progress in the area of governance has been uneven. There have been great advancements with regard to fiscal reform and the bolstering of financial and economic institutions. Legislative and judicial reform has been slower. Efforts have been made to increase the centralization of authority over national security forces, but challenges remain.

A noteworthy accomplishment of the PA in this arena has been the holding of a series of free and fair elections that included presidential (1996 and 2005) and legislative elections. A new round of legislative elections is set for early 2006. As the reform of legislative procedures continues, work has begun on the preparation of a Palestinian constitution. Advances in the financial sector include the landmark publication of the budget by the PLC in February 2003. In this regard, significant progress has also been made with the management of the PA’s public finances and in particular, the strengthening of financial control.

The international community continues to support the PA in its efforts to better focus their reform
priorities. In this capacity, the Task Force on Palestinian Reform was established in July 2002 to assist and monitor the PA's progress on the reform agenda. On security, US Lt. General Ward is assisting with Palestinian security reforms as well as coordinating cooperation with the Israelis. Quartet envoy, James Wolfensohn has identified three issues with regard to governance: financial aid with the aim of increasing fiscal accountability; development and planning; and the implementation of economic programs that can have immediate effects on the Palestinian population. This is coupled with a push for increased transparency and accountability in PA governmental institutions.

**Official Development Assistance**

Between 2000 and 2005, the structural imbalance between domestic revenues generation and ODA deepened, resulting in an increase of donor budget support for the PA wage bill and emergency assistance. Following the outbreak of the second Intifada, the donor community was quick to respond to the widespread economic crisis, with annual disbursements almost doubling from $500 million in 1999-2000 to around $1 billion in 2001-2002 – almost half of which funded by the League of Arab States. The crisis has reaffirmed the strong interdependence between development and peace. Restoring peace and stability alone will not necessarily lead to a smooth recovery, unless supported by a comprehensive strategy geared towards building institutions and executing policies aimed at bolstering the new environment\(^74\).

The type and pattern of donor support shifted from development assistance to humanitarian relief and PA budget support, and the share of development assistance dropped from 88 percent of total international aid in 1999-2000 to 26 percent after 2000. Moreover, most of what was categorized as development assistance in 2001-2002 was actually emergency assistance in the infrastructure of certain social sectors, especially health\(^75\). This was in sharp contrast to the aftermath of the international conference of donor countries held in Washington, DC, in October 1993 - which pledged US$ 2.4 billion to assist the Palestinian reconstruction and development programme 1994-1999. The period 1996-1999 witnessed a shift in donors’ focus away from budget support to infrastructure development projects, which accounted for 39 per cent of total disbursements by the end of second quarter 1999, up from 19 per cent in 1994-1995. In contrast, budget support was reduced to less than 4 per cent by mid-1999. By 2000, around 80 per cent of total pledges (US$ 4.6 billion) had been committed against specific projects.

Even though donor support declined by about 10 percent in 2003 to $900 million – from 35 percent of GDP to 30 percent -, there has been some shift in donors’ focus, with renewed commitment to long-term development objectives. In 2003, for the first time since the start of the second Intifada, development expenditure was higher than the humanitarian one. The PA remains highly aid dependent, but there have been efforts to systematize the development process through development planning since 1998 – in the form of the Palestinian Development Plan, the Socio-Economic Stabilization Plan (SESP) 2004-2005, and more recently the Medium Term Development Plan (MTDP) 2005-2007.

The structural imbalance in the PA national budget has been exacerbated in 2005. Unless corrective measures are urgently taken, the objective of reducing the deficit in the 2006 budget to about $480 million – as outlined in the fiscal stabilization plan in the 2006 budget circular – would be very difficult to achieve. This would jeopardize further external budget support\(^76\). Urgent and decisive measures to retire or retrench personnel on both the civil and security services, coupled with effective measures to collect utility bills, will be necessary to reduce this gap and bring fiscal deficit down to a level that could be financed. Some additional mobilization of external resources will also be necessary to ensure that the cycle of accumulating payment arrears does not start again.

The recent Israeli Disengagement from the Gaza Strip has implications for the future deployment of ODA in the oPt. G8 countries pledged their support of up to $3 billion per year in the next three years, in support of economic regeneration and governance reform. However, economic recovery and social progress will be dependent on the outcome of the ongoing political process.

**Target 12:**
Develop further an open, rule-based, predictable, non-discriminatory trading and financial system

**Market access:**
Trade plays an important role in the Palestinian economy that is heavily dependent on economic relations with Israel. Israel is by far the largest trading partner.

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\(^{74}\) UNCTAD, Palestinian Economy III

\(^{75}\) UNCTAD, Report on UNCTAD’s Assistance to the Palestinian People, August 2004

\(^{76}\) Source: International Monetary Fund (IMF), WBG: Assessment of Fiscal Performance in 2005, September 6, 2005
Trade amounted to as much as 76 percent of Palestinian GDP in 1995 and has declined to 58 percent of GDP by 2002.\textsuperscript{78} The 1994 Protocol on Economic Relations between the Government of Israel and the Palestinian Liberation Organization (Paris Protocol) established a quasi customs union between Israel and the Palestinian Authority (PA). As regards to third countries, the PA has entered into trade agreements with inter alia the European Union, the United States, Canada and Arab countries. Nevertheless, as pointed out by UNCTAD, the PA has very little control over trade policy instruments.\textsuperscript{79} The general tariff on third-party countries is set by Israel without regard to Palestinian comparative advantage. Moreover, the Paris protocol allows only for limited access to Egyptian and Jordanian markets, as all trade must be conducted through Israel which controls all borders.

Israeli-Palestinian trade relations are characterized by a large Palestinian trade deficit that amounted to about US$ 900, or 32 percent of GDP, in the year 2002. By 2004, the Palestinian trade deficit with Israel as a percentage of GDP reached 40 percent. This makes mutual preferential access to markets under the customs union less beneficial for the oPt than for Israel. According to World Bank estimates of 2002, it constitutes a negative net transfer equivalent to US$ 99-140 million (compared to non-discriminatory trade policy).\textsuperscript{80} As pointed out by UNCTAD, the costs of the Palestinian trade deficit are quite substantial. While over the last four years Palestinian net imports from Israel averaged about US$1,450 million annually, net current transfers to the PA, which mainly represent donor support, averaged 1,300 million per year.\textsuperscript{81} Israel’s control of borders also makes the PA loose out on trade and VAT revenues from indirect exports, which are goods imported from Israel that are actually originating from third countries.\textsuperscript{82}

During the first three years of the Intifada, both imports into the oPt and exports from the oPt declined. While exports recovered in 2004 and surpassed their pre Intifada level imports still remain below their pre-Intifada level.\textsuperscript{83} Closures and curfews, which were particularly pronounced during the first two years of the Intifada, adversely affected Palestinian trade. As regards to the export sector, the movement restrictions contributed to the decline of exported goods and non factor services during the first two years of the Intifada. Closures and curfews lead inter alia to increased transportation costs as well as to production and shipping interruptions, which make Palestinian exports more expensive and less reliable. In sum it can be stated, that the growing isolation of the West Bank and the Gaza strip from Israel and its neighboring countries together with the increasing fragmentation of the West Bank pose a very serious threat to the trade oriented Palestinian economy.

\textsuperscript{77} See: World Bank, West Bank and Gaza update, June 2005
\textsuperscript{78} Source: World Bank, World Development Indicators Database, April 2004
\textsuperscript{79} UNCTAD, Report on UNCTAD’s Assistance to the Palestinian People’, TD/B/52/2, 21 July 2005
\textsuperscript{80} Under a non non-discriminatory trade policy no preferential access to markets is granted.
\textsuperscript{81} UNCTAD, Report on UNCTAD’s Assistance to the Palestinian People’, TD/B/52/2, 21 July 2005
\textsuperscript{82} According to the World Bank, the lost revenue associated with indirect exports amounts to 174 US$ per year.
\textsuperscript{83} World Bank, West Bank and Gaza update, June 2005
Target 16:
In co-operation with developing countries develop and implement strategies for decent and productive work for youth

High levels of youth unemployment among the 15-24 years-old in the oPt – where 46 percent of the population is below 15 - threaten long term economic and social stability. Employment generation strategies have yet to address youth unemployment.

Increasing youth unemployment

The labor market in the oPt is still in crisis with unemployment rates around 30 percent. Despite a period of employment growth in 2003, the number of unemployed remained three times higher in Q3 2004 than in September 2000. Since 2003, a rising number of young people have become unemployed. According to PCBS Labor Force Surveys, the percentage of young people between the ages of 15 and 19 years and between the ages of 20 to 24 years both increased by more than 3 percent in Q3 2004 compared with Q3 2003 – with for the age group 20-24 approximately 37.1 percent of young men and 43.3 percent of young women unemployed. One half those in the Gaza Strip, and one third in the West Bank, who are aged between 15 and 24 years are unemployed. This situation is all the more critical as almost half of the population in the oPt is below age 15, and in the medium term, social stability and long term economic stability will be affected by the continuing poverty and the lack of opportunities afforded to the approximately 40,000 youth entering the labor force each year. The inability of the market to absorb workers is especially exacerbated in the case of highly educated and medium skilled labor.

Some of the constraints in the oPt are:
- Persisting regime of closure and persisting crisis adversely affect the development of private sector (R&D, experience and participation)
- High population growth
- Deterioration quality of education
- High unemployment and underemployment rates
- Limited industrial skills
- Limited regional cooperation

Much of the employment generation in the oPt through job creation schemes does not target the youth unemployment specifically. Nevertheless, some initiatives already exist. For instance, the Sharek programme now aims at developing the capacities of disenfranchised Palestinian youth between 15 and 24 years old. The concept of ‘Bridges’ links institutions and youth to people,

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**Selected Indicators**

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<thead>
<tr>
<th>Selected Indicators</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003&lt;sup&gt;84&lt;/sup&gt;</th>
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<td>Exports of goods and non factor services (in million US$)&lt;sup&gt;86&lt;/sup&gt;</td>
<td>767</td>
<td>887</td>
<td>892</td>
<td>867</td>
<td>535</td>
<td>413</td>
<td>448</td>
<td>468</td>
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<tr>
<td>Imports of goods and non factor services (in million US$)&lt;sup&gt;87&lt;/sup&gt;</td>
<td>3028</td>
<td>3320</td>
<td>3805</td>
<td>3404</td>
<td>3221</td>
<td>2765</td>
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</tbody>
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<sup>84</sup> Estimates given in: Ministry of Finance, Macroeconomic Framework, 2005
<sup>85</sup> Projections given in: Ministry of Finance, Macroeconomic Framework, 2005
<sup>86</sup> Source: Ministry of Finance, Macroeconomic Framework, 2005
<sup>87</sup> Source: Ministry of Finance, Macroeconomic Framework, 2005
<sup>88</sup> Palestinian Central Bureau of Statistics (PCBS), Labor Force Survey, 2004
<sup>89</sup> UNCTADs Assistance to the Palestinian People, UNCTAD, July 2003
and a new initiative called ‘A Step Forward’ aims at reducing the high level of unemployment among the newly graduated students of the oPt, by providing them with the opportunity to gain practical skills in the private sector and NGOs. ‘Save the Children’ is also implementing a Junior Achievement pilot project (INJAZ) for Palestinian youth. This seeks to enhance their economic opportunities by piloting innovative business and economics courses in schools and supporting the creation a more enabling environment for youth through public awareness campaigns, supporting youth in making academic decisions that affect later employability, and developing linkages between the public and private sector.

**Target 17:**
In co-operation with pharmaceutical companies, provide access to affordable, essential drugs in the oPt

Essential medicines are those which satisfy the priority health care needs of the population. The Palestinian Essential Drug Programme – to improve the pharmaceutical sector in the Palestinian Self-

<table>
<thead>
<tr>
<th>MDG Indicators</th>
<th>1995</th>
<th>2000</th>
<th>2002</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Unemployment rate of 15-24 year-olds,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Bank</td>
<td>25</td>
<td>20</td>
<td>42.6</td>
<td>39.8</td>
</tr>
<tr>
<td>Gaza Strip</td>
<td>21.5</td>
<td>16.7</td>
<td>40.3</td>
<td>35.3</td>
</tr>
<tr>
<td>2. Proportion of population with access to affordable essential drugs on a sustainable basis</td>
<td>22,417</td>
<td>24,616</td>
<td>14,129</td>
<td>24,785</td>
</tr>
<tr>
<td>Total MoH expenditure percentage</td>
<td>25.6</td>
<td>25.7</td>
<td>17.7</td>
<td>17.9</td>
</tr>
</tbody>
</table>

In 2003, MoH expenditures on medications, medical disposable and laboratory reagents was accounted for US$ 17,572,988, which is 17.9 percent of total MoH expenditure. In addition to the cost of vaccines which was accounted for US$ 1,400,954. In the same year 2003, despite international funds and participation of Ministry of Finance, the deficit in medications, medical disposables, and lab reagents was accounted as 9.4 percent of the postulated expenditure. There were 8 local pharmaceutical companies registered, 1,004 products out of which 48 new products registered in the year 2003.

The regime of closure in place in the oPt remains the main obstacle for access to essential drugs. The majority of the Palestinian people benefit from health coverage (74 percent from Government health insurance) in 2005, whereas 26 percent of the people still cover their medical expenses – a decrease of 5 percent since 2003.

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90 IUED, Palestinian Public Perceptions Report VIII, June 2005
91 Under WHO rules, essential drugs lists need to be updated on a biannual basis
92 MoH-PHIC. Pharmacy and Pharmaceuticals, Health Status in Palestine 2003, July 2004
In 2005, the first Palestinian information communication technologies (ICT) strategy was announced, resulting from intensive discussion between the private and public sectors. The ICT private sector has been instrumental in developing new technologies and defusing information technology to the rest of the economy’s segments and to the Palestinian society, notably since the creation of the Palestinian Information Technology Association (PITA) which currently caters for 75 member companies. The challenge of developing a true public-private partnership (PPP) has started to be addressed in 2005 with the announcement of many ICT initiatives and projects by the new Ministry of Telecommunications and Information Technology (MTIT):

- ADSL/broadband Internet - access to the Internet is now free from subscription fees
- Smart Card
- e-government
- the Palestine Education Initiative
- telecom regulations and reform
- Falastinieh – virtually empowering the Palestinian women
- e-Palestine, and recently
- technoparks

### The Palestinian Education Initiative (PEI)

The Palestine Education Initiative (PEI) was launched at the 2005 World Economic Forum (WEF). It was adopted by the PA and supported by both two ministries - the MoEHE and the MTIT – as well as Paltel, the Palestinian telecommunication company. The goal of the Initiative is to assist the MoEHE to integrate ICT into the education system to encourage innovative teaching models and stimulate economic development within a model of public/private partnership, and with support from international agencies and businesses. Almost 50 percent of MoEHE schools are equipped with computer labs and the Ministry has already introduced technology education and IT in the new curricula from grades 5-12 and English language from grade 1.

### Availability of new technologies

<table>
<thead>
<tr>
<th>Technology</th>
<th>2000</th>
<th>2002</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>47. Telephone lines and</td>
<td>9.1</td>
<td>7.3</td>
<td>7.9</td>
</tr>
<tr>
<td>cellular subscribers per</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>100 population</td>
<td>2.6</td>
<td>7.1</td>
<td>11.8</td>
</tr>
<tr>
<td>48. Personal computers in</td>
<td>1.8</td>
<td>5.4</td>
<td>11.9</td>
</tr>
<tr>
<td>use per 100 population</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and Internet users per</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>100 population</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### MDG Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2000</th>
<th>2002</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>47. Telephone lines and cellular subscribers per 100 population</td>
<td>9.1</td>
<td>7.3</td>
<td>7.9</td>
</tr>
<tr>
<td>48. Personal computers in use per 100 population and Internet users per 100 population</td>
<td>1.8</td>
<td>5.4</td>
<td>11.9</td>
</tr>
</tbody>
</table>

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93 'The ICT Industry in Palestine: Hope or Despair?', This Week in Palestine, Issue No. 89, September 2005
94 'Towards a Greater Partnership', This Week in Palestine, Issue No. 89, September 2005
Technoparks

The MTIT is leading national efforts to establish seven Technoparks – hi-tech zones that aim at providing practical means of accessing the universities’ intellectual capital and resources, stimulating research and development activities and other benefits. The major one, comprising over 15,000 square meters, will be located in Gaza over land previously occupied by the settlement of Netzarim, close to Gaza’s major universities. The other six smaller techo-villages will be established near six West Bank universities. The facilities will be independently run and shared by universities and colleges as well as private technology-based businesses. One component of the zone is the telecom institute which will be a branch of the Palestine Telecommunication Institute (PTI), which will enroll graduate students. This will complement existing initiatives by the private sector.
ANNEX: MDG localization process for the oPt

1 Rationale for localization of the MDGs

Each country is responsible for articulating a national development vision for its future on behalf of its citizens, devising a development strategy to reach this vision and choosing a menu of policies to support it. The Millennium Development Goals (MDGs) provide a set of standards in support of a national development vision, and quantifiable, time bound targets to be used in country and global progress reports towards the commitments outlined in the Millennium Declaration. In middle-income contexts, localized or adapted goals and targets can play an important role in the development of a harmonized national development effort, particularly in the absence of coherent and quantified national goals.

Localizing or adaptation of the MDGs and targets is a process of agreeing on national priorities, targets and indicators, and setting a baseline through a consensus drawing different stakeholders into the decision-making process.

Costing of the measures required to reach the long-term localized MDG targets is the next step, and provides governments with a clearly delineated outcome driven long-term financing strategy, which can then be adapted to plan for resource needs in the medium term.

The localization of goals and targets can also provide governments with the vital building blocks for an MDG-based national development vision - i.e. “a long term vision consistent with the Millennium Declaration, based on nationally determined priorities, that is supported by medium-term cross-sectoral strategies, which are measured against progress towards MDG based outcomes”.

As a norm, the Millennium Declaration is a historic covenant between nations of the world, demonstrating universal values of peace, development, human rights, human security and safety, and provides a complete platform in both political and development terms for governments committed to the establishment of a just society.

2 MDG attainment in the Palestinian context

The occupied Palestinian territory (oPt) is placed in the lower middle income group of countries in terms of the Human Development Index. In terms of MDG attainment, with the exception of Goal 1, the current level of attainment of most of the Goals remains favourable; although trends since 2000 show that there is a regression in most of the indicators. This regression is a particular feature of the Palestinian situation which has been undergoing a humanitarian crisis since the Intifada broke out five years ago. The oPt is also a region and a people in the midst of a persistent conflict, an uncertain future, and a yet unfulfilled prospect of full Palestinian statehood. This uncertainty in the political sphere poses challenges in actually projecting and modeling progress until 2015, the cut-off date for most MDG based national strategies.

While the political aspirations of the Palestinian people remain unfulfilled, in the interim period, both Palestinians and the international community have a vital stake in improving human development outcomes in the oPt. This commitment is reflected in the efforts since 1994 of the Palestinian Authority (PA), Palestinian NGOs and civil society institutions as well as donors and foreign governments.

While most of the focus of local and international emergency and development assistance has concentrated on basic social service delivery and supporting the PA to implement its mandate, there have been efforts to systematize the process through development strategies and development planning since 1998 – in the form of the Palestinian Development Plan, Socio-Economic Stabilization Plan, and most recently the Medium Term Development Plan.

3 Gaps in national planning strategies

While progress in long-term national planning efforts has been derailed due to the effect of the Israeli-Palestinian conflict, the PA and its partners have built up capacity on short term planning and now, more recently, through planning in the medium-term. The 2005 release of the PA’s MTDP 2005-2007 by the Ministry of Planning (MoP), signifies a new commitment to bringing back medium and long-term strategies for achieving the twin national objectives of poverty reduction and employment creation.

While the MTDP is an important step in the PA’s capacity to bring back control over the development planning process and move beyond the emergency orientation, an examination of the MTDP has revealed, significant gaps in terms of...
national quantified goals and targets, programmes and interventions which makes monitoring of the plan implementation extremely challenging.

4 National commitments for MTDP monitoring

The PA itself has acknowledged the need for better monitoring of the plan, and has inaugurated a process of setting development goals and quantified targets to support the monitoring of progress on delivery and impact of MTDP commitments. The MoP has taken the lead in this process, and has initiated a joint partnership with PCBS, UNDP/PAPP, UNICEF to establish a national monitoring system, and set up a monitoring unit to coordinate these efforts.¹⁰⁰

The objective of the monitoring unit should be to monitor the implementation of the MTDP rather than an exclusive focus on the MDGs. The MTDP will, however, include the MDG goals indicators and targets. The monitoring unit could also be responsible for the annual MDG progress report. But its main focus should be on monitoring MTDP implementation. PALINFO should be the tool used to monitor the MTDP.

The unit will co-ordinate collection of data from a number of sources and publish annual progress reports. It will need to develop a comprehensive monitoring framework against an agreed set of input, output, outcome and impact indicators. It will also need to coordinate evaluation activities.

5 Components of the National Monitoring System

While the precise nature of the national monitoring system is being developed by the MoP, in coordination with UNDP/PAPP, DfID and other partners, it includes the following:

- Framework for sequencing PCBS surveys with national and sectoral planning cycles and monitoring
- Localization of MDGs resulting in quantified long-term goals and targets, and a costing to reach these, led by the MDG Steering Committee
- Integration of these targets into subsequent MTDP revision
- Integration of these localized goals in to a future national development vision
- Development of Pal-Info as a monitoring instrument for MTDP implementation as well as MDGs through joint partnerships with service line ministries to set goals and monitor sectoral targets and programme delivery
- Setting up a monitoring unit within the Ministry of Planning to lead monitoring efforts

6 Suggested Localization process: Aspects & Options

Localization is one of the first steps in the evolution of the national monitoring system, and has been accorded top priority by the MoP. While the process of localization itself has to be coordinated by the PA, agreed by national institutions and supported by the UN Country Team, UNDP/PAPP as the UN Secretary General’s campaign manager and score-keeper of the MDGs, is mandated to provide advisory inputs to national agencies on defining the central elements of the process.

In the Palestinian context the following elements and options for the localization process have to be considered and jointly agreed on:

i) Scope of localization: The scope of localization needs to be decided through a consensus

Option 1: A long-term visioning process for at least 10 years that is built on the ESCWA work and linked up with the Reform Units national agenda development. This would provide a framework for the PA and other partners to think through a long-term development agenda that includes the MDGs but is wider at the same time. A long term development vision has the advantage of providing national governmental, civil society, private sector and other stakeholders to harmonize their efforts. Choosing this route would also help with prioritizing objectives for the MTDP building on the 10 year vision, rather than evolving MTDP targets in an ad-hoc manner dependent on donor pledges. Moreover, in a middle-income country where many of the goals have been met there may need to be visioning to think about new goals and, more ambitious targets. The disadvantage is that this may be too ambitious in the current Palestinian context as people may be unprepared to undertake a visioning exercise considering the prevailing political uncertainty.

Option 2: At the other extreme, MDG localization could be done for a 3 year framework, in a series of narrow sectoral working groups that focuses on numbers and costs, and is anchored in the MTDP 2006-2008. The advantage of this approach, is that it minimizes the risks associated with the socio-economic impact of political uncertainty. Moreover this approach will support the 3 year Medium Term

¹⁰⁰ See Joint Memorandum of Understanding, August 2005, MoP, PCBS, UNDP/PAPP and UNICEF
framework, and develop goals and targets for the strategies and interventions already being planned in the MTDP. It is less ambitious, however the disadvantages of this approach are several: weak ownership, poor linkages to sectoral strategies and MTDP etc. If this approach is adopted then following the localization, a lot of effort will be required into mainstreaming the MDGs across policy making and budgeting. It might be that this is the only option.

**Who**
Ministry of Planning, Reform Unit, MDG Steering Committee, UNDP/PAPP

**What**
Joint decision of which option adopted

**How**
shops discussing global best practices and options

### ii) Sequencing:

The efforts of the PA supported by international development agencies and focused on better national planning, have to take into account the sequencing of various processes.

At the time of drafting this policy advisory note, the PA is committed under the Wolfensohn initiative of moving forward on a three year planning cycle through a coordinated effort by the Ministry of Planning, Ministry of Finance and Ministry of National Economy.

Sequencing of the localization process is extremely important in this context, i.e. the localization process should precede a new three year plan or revision of the MTDP. Localized goals and targets will provide any new three year plan or ongoing revision a coherence to harmonize development efforts. Absence of a carefully sequenced process will result in a Plan devoid of quantifiable targets and a coherent development financing strategy.

**Option 1:** The localization process is a fairly intensive process and the length of time is also dependent on the scope of the exercise. A consensus and wide understanding of the process, itself requires a clear terms of reference. Discussions amongst stakeholders should culminate in a PA endorsed statement of localization process which is to be featured in the MTDP 2006-2008 to be issued in November 2005. The full results of the process in terms of vision, goals and objectives can be completed and carried in the next revision of the MTDP at the end of 2006. The advantage of this exercise, it that it provides adequate time for momentum to be generated, promotes coordination and a sense of coherence in national planning for sectoral stakeholders, and also clearly announces national leadership of the process.

**Option 2:** A quick process of convening sector-specific stakeholders, with a focus on the technical approach of examining the programme areas and interventions of the MTDP 2006-2008 document, and evolving goals, indicators and targets based on pre-determined interventions. The advantage of this approach, provides quick gains for national authorities and means of monitoring MTDP implementation. The disadvantage is that sequencing is retrospective and, based on likelihood of donor pledges, and programmes pre-decided accordingly. Goals are likely to be very narrow, and not consensus based, which will lock national planning processes into yet another short term planning cycle.

**Who**
MoP, Reform Unit, MDG Steering Committee, UNDP/PAPP

**What**
Joint decision on sequencing

**How**
MDG steering Committee meeting

### iii) Time Horizon & Baseline: 2015/ 1994

It is imperative for the PA and its partners to decide on the time frame for localization of goals and targets. The Global MDG initiative has agreed 2015 as the cut-off date for setting goals and targets. However the issue of agreeing on a time-frame is also a national responsibility and the central guiding principle should be to select a duration which provides the PA and the Palestinian vision a long term vision for development.

**Option 1:** The 2005-2015 period, provides a reasonable time frame for a long term development planning goals even in the Palestinian context if the scope adopted is that of a broad developmental vision.

**Option 2:** Medium Term Planning cycle adopted, 3 year framework over 2006-2008, goals and targets need to be anchored in existing strategies and programme areas. Sectoral strategies also need to be adjusted to this frame-frame to ensure that localization of goals and targets in each sector is harmonized.

While 1990 is the global baseline against which to measure progress, in the Palestinian context 1994 is often used as the baseline, owing to the handover, of responsibility to the PA after the Oslo Accords, and the establishment of the PCBS at this time.

**Who**
Ministry of Planning, Reform Unit, MDG Steering Committee, UNDP/PAPP

**What**
Joint decision on sequencing

**How**
MDG steering Committee meeting
iv) Sectoral Aspects & Selection of Indicators: Critical determinant of success or failure of the Localization process.

The MTDP and its sectoral programmes provides the umbrella for the unified goals, targets and indicators, however localization of MDGs (whether broad or narrow in scope) is embedded in sectoral strategies like the National Education for All strategy, youth policy, CEDAW convention, health strategies. etc. There needs to be a strong link to the sectoral budget process. Sectoral discussions with a wide participation of sector specific stakeholders, is essential, and needs to be convened by specialized line ministries in technical cooperation with specialized UN Agencies and PCBS. A robust and intensive process visioning the goals, targets and indicators linked to the budgetary aspect will determine the success of failure of the localization exercise.

Who
Technical Committee, line ministries, UN Specialised Agencies, UNDP/PAPP and UNICEF

What
Localization of goals, targets, indicators

How
Workshops with wider group of sector specific stakeholders, examining existing sectoral strategies, sectoral plans, sectoral needs and priorities, sectoral budgets

v) Principles: Credible and broad-based participation process for all aspects of localization

The central approach of the process has to be broad-based consultation and participation from all sectors of society. While the PA in partnership with the UN Country Team has a leadership responsibility through the newly constituted MDG Steering Committee, this responsibility is primarily to convene stakeholders from national institutions, civil society and the private sector and guide a consultative and consensus based approach to arrive at quantified and measurable goals and targets. A detailed stakeholder analysis needs to be undertaken for each sector to ensure widest ownership and a credible process.

Existing sectoral strategies, goals and targets have to be reviewed and discussed to also arrive at a consensus based result. The PA has to also commit formally in the public domain to the goals and targets arising from the MDG localization process into its development planning, in the Palestinian context this means the MTDP and subsequent plan revisions.

There are no choices or options in this process. Consensus building has to take place at various levels with different stakeholders.

Who
MDG Steering Committee, Technical Committee and UNDP/PAPP

What
Agreement on common principles of broad-based participation and work-shop on stakeholder analysis and participation

How
Delegating lead roles to line ministries, ensuring extensive civil society involvement, information dissemination, dialogue on contentious issues, transparency, public information channels used such as press-releases

vi) Costing

Costing is an aspect that follows from a successful localization process. However costing also requires a clear assessment of the existing resources deployed in sectors, strategies and programmes used and planned in future to reach these the goals. Costing is critically dependent upon the scope and time frame of localization, and needs to examine public expenditure reviews, model past experiences of the impact of public investment, and make projections of the cost of achieving sectoral targets. Often costs can be double-counted or overlap because of cross-sectoral issues, therefore costing presents methodological challenges.

Who
MDG Technical Committee, UNDP/PAPP

What
Costing for goals and targets

How
Survey of global best practices, specialized experts on costing from UNDP/PAPP

vii) Main Outputs of the Process: Deliverables


c. Consensus building work-shops on evolving development vision Lead responsibility: Minister of Planning. Technical partner: UNDP/PAPP and UN Specialized Agencies.

d. PA issues a development vision endorsed by the President. Lead responsibility: Cabinet, and Ministry of planning.
e. Development vision includes Medium Term quantifiable goals: in MDG Sectors or other sectors drawn from the Millennium Declaration and country specific conditions.
Lead responsibility: MDG Steering Committee.
Technical partners: UNDP.

f. Medium-Term quantifiable targets.
Lead responsibility: MDG Steering Committee.
Technical partners: UN Agencies.

g. Medium-Term indicators for monitoring.
Lead Responsibility: MDG technical Committee.
Technical partners: UN Agencies.

h. Costing of Goals and Targets.
Lead Responsibility: MoP in cooperation with PCBS, line ministries.
Technical responsibility: UNDP/PAPP, specialized UN Agencies.

j. National Monitoring System established to integrating all monitoring efforts by PCBS, MoP and line ministries.
Lead Responsibility: Ministry of Planning, in cooperation with PCBS.
Technical partner: UNDP.

viii) Methodology: Using global best practice, innovative national expertise and methodological challenges
Data requirements for localised goals have to be carefully assessed by international agencies and the national MDG technical committee led by PCBS, and resources need to deployed for improved in quality and collection of data. Technological platforms which have been globally tested such as Pal-Info have to be developed in the Palestinian context by PCBS also in coordination with other agencies.

As the process of goal setting, developing appropriate sectoral strategies and costing of measures is taking place with renewed momentum globally, global best practice methodologies being applied have to be evaluated and adapted for their appropriateness in the Palestinian context and used with the best international and national expertise.

Devising sectoral strategies and costing the goals, presents some methodological challenges in the Palestinian context due to the specificities of the political situation which will require careful attention. Conducting realistic assessments of development progress and necessary additional resources (unfunded MDG needs) also requires a great deal of methodological rigor in the Palestinian context.