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SUPPORT

PROGRAMME IMPLEMENTATION

SPECIAL PROGRAMMES

Assistance to the Palestinian people

Report of the Administrator

SUMMARY

This document reviews the performance of the Programme of Assistance to the Palestinian people, with particular emphasis on programme delivery in 1989 and project planning for the immediate future. Information is given on the financial situation of the Programme, including special contributions received or in process, as well as allocations from the central resources of the United Nations Development Programme.

## I. GENERAL SITUATION OF THE PROGRAMME

1. The Programme of Assistance to the Palestinian people of the United Nations Development Programme commenced operational activities in 1980. The thirty-seventh session of the Governing Council, therefore, marks the tenth anniversary of an activity that has become a leading source of United Nations development assistance for the Palestinian people in the occupied Palestinian territory. The Administrator is especially pleased to report on this occasion that remarkable progress has been achieved by the Programme since the thirty-sixth session of the Council (1989).

2. During that session, the Council was informed of concerns over a slackened rate of programme delivery and delays involved in securing the necessary clearances for new projects. Although the UNDP Office in Jerusalem continues to face serious programming and implementation problems, special programming measures and an intensified focus on implementation over the past year have produced greatly improved results, as shown in the following sections of this report.

3. The Programme enjoys widespread support among the Palestinian people in the occupied Palestinian territory. Strict adherence to the consultative process specified in relevant resolutions of the General Assembly and the Economic and Social Council has proved to be beneficial in this regard.

4. Increasing attention is being given to the co-ordination of relationships with other United Nations agencies, non-governmental agencies and governmental and intergovernmental activities. Especially close liaison continues to be maintained with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

## II. PROGRAMME DELIVERY

5. During the first five years of the Palestinian Programme, following its start from a zero base in 1980, the programming and delivery machinery necessary for extensive project activities was gradually built up. It was not until 1986 that the Administrator was able to reach agreement with the authorities for the opening of the UNDP Office in Jerusalem.

6. The project expenditure pattern, which forms a rough gauge of the progress of the Programme, showed expenditures of less than \$1 million annually until 1985, when just over \$1 million in expenditures were recorded. In 1986, there was a sharp jump to about \$4 million, but there followed two years of declining delivery (1987: \$2.4 million; 1988: \$2 million). Final delivery figures for 1989 were not available at the time of preparation of this report, but it is estimated that the total will amount to about \$3.8 million, a welcome reversal of the previous trend.

### III. FINANCIAL SITUATION

7. The financial core of the Programme has been provided since its commencement through allocations by the Governing Council from Special Programme Resources. The pattern of these allocations is given below.

Second cycle (1980-1981)	\$3.5 million
Third cycle (1982-1986)	\$10.0 million
Fourth cycle (1987-1991)	\$12.0 million

8. Funding provided for the current fourth cycle has been almost entirely allocated, only about \$850,000 remaining unencumbered as of March 1990. A number of newly formulated projects are currently awaiting availability of funding prior to being declared operational:

	<u>Amount required</u> (dollars)
Vegetable Packing and Grading Facilities	250 000
Grape Processing Facilities	750 000
Maintenance and Operation of UNDP Sewage Systems - Gaza	600 000
Development of Electricity Delivery Systems (Villages)	270 000
Medical Fellowships	500 000
Laboratory for Quality Improvement - Plastics Industry	500 000
Feasibility study - Desalination of Seawater	400 000
Water Supply - Ramallah Area (Ein Saniya)	<u>700 000</u>
	<u>3 970 000</u>

9. For the fifth cycle (1992-1996), an initial allocation of \$12.0 million is being recommended by the Administrator, as a minimum, with provision for consideration of an additional allocation at an appropriate future time should the rate of project preparation and implementation so warrant.

10. The Governing Council and the General Assembly have over the years appealed to Governments and intergovernmental institutions for additional resources for the Programme, through voluntary contributions. As of March 1990, the following funds have been pledged to the Programme for the purposes shown:

<u>Donor</u>	<u>Amount</u> (dollars)	<u>Purpose</u>
Arab Gulf Programme for United Nations Development Organizations (AGFUND)	1 000 000	Gaza Sewage
Canada	400 000	Unrestricted
Italy	5 000 000	Gaza Citrus Plant
Italy	7 320 000	Health Institutions
Italy	2 900 000	Bethlehem Sewage
Japan	3 000 000	Various Projects
Jordan	457 000	Health Institutions
Tunisia	48 500	Unrestricted
USA	1 000 000	Gaza Sewage

11. A flexible series of options are available to potential contributors, making it possible to transfer funds to the Programme under cost-sharing, trust fund or management service arrangements as required. The UNDP Office in Jerusalem is organized to respond quickly to requests for assistance in formulating and implementing projects of special interest, the only restriction being that approved management arrangements governing UNDP projects must be followed.

12. The Administrator wishes to express appreciation for the growing support by Governments and institutions, both with respect to the core activities of the UNDP Programme and the additional activities supported financially through special contributions and management service arrangements.

#### IV. PROJECT HIGHLIGHTS

13. The broad range of activities described in previous reports of the Administrator continued successfully over the past year, but with increasing emphasis on job creation and self-sufficiency. UNDP has sponsored the creation of agricultural associations in Gaza, while activities such as the new honey production facility in Jericho offer steady income for the first time to small producers in the occupied Palestinian territory. In addition, UNDP continues to seek the sanction of the Israeli authorities for the poultry hatchery project and for a cement production facility in the West Bank, while port facilities in Gaza, both for fishermen and commercial purposes, remain high on the UNDP agenda.

14. Other industrial and agro-industrial projects have recently made significant progress. UNIDO is co-operating with UNDP on several projects, including the projects in the plastics and vegetable packing field mentioned in chapter III. A feasibility study for a flour mill project has been completed, while the construction of the \$1.6 million Nablus industrial zone has reached its final phase.

15. For the improvement of drinking water in Gaza, initial studies have started to determine the feasibility of establishing dual purpose desalination plants, which will produce potable water while at the same time yielding extra electrical power for industrial and economic activities. The sum of \$400,000 is required for the first studies, but experts advise that the total investment outlay could amount to almost \$200 million, a figure far beyond the possibilities for UNDP funding. The first studies confirm that the condition of water supplies is reaching a desperate stage through progressive dehydration of the supply, continual overpumping and rapid population growth.

16. UNDP recently received from the Italian Government \$5 million for the initial phase of construction of the long-awaited Gaza citrus processing plant. Construction work will commence as soon as design plans are available from the contractors and the required formalities have been completed.

17. The sewage on the outskirts of the Jabalya refugee camp has been drained by the new UNDP pumping facility located nearby. At the request of UNRWA, UNDP has now commenced work on a sewage collection network for the camp itself at an estimated cost of \$2.6 million. UNDP has allocated \$600,000 towards this figure, while agreement has been reached for an input of \$1 million from the United States Government; other governmental contributions are anticipated.

18. Other current projects of special interest are given below. They indicate the substantial concentration of the Programme on activities in the private sector and on those involving community organizations.

#### Trade and Marketing Promotion Centre

19. In co-operation with the International Trade Centre (ITC) and the United Nations Conference on Trade and Development (UNCTAD), a five-team mission has just completed a study to improve marketing and trade facilities, with emphasis on direct exports.

#### El Duyuk Drinking and Irrigation Water Development

20. In consideration of scarce water resources in the West Bank, the existing spring at El Duyuk is being improved to provide water supplies for both irrigation and drinking purposes.

#### Development of Modern Irrigation (Drip and Sprinkler Irrigation)

21. This project is designed to improve the irrigation system in the Gaza Strip, where serious water shortages exist. UNDP will provide drip irrigation equipment to farmers on a loan basis, through an agricultural co-operative.

Business Development Centre

22. Initial planning and installation work has been completed for this Centre, which is designed to provide Palestinian entrepreneurs with advisory and marketing services, training, and credit. The recently appointed Director is currently assembling the Centre staff and preparing the accommodations of the Centre, which are located near the UNDP office in Jerusalem.

Development of Electricity Systems

23. Many villages in the West Bank and Gaza Strip lack electricity. UNDP will implement pilot projects in selected villages by providing generators and other equipment.

V. FUTURE DIRECTIONS

24. The UNDP experience over the past 10 years has demonstrated that the international community can mobilize financial and technical assistance for the Palestinian people in ways that produce substantial improvement in current living conditions and future prospects. Building on this experience, UNDP can be in a position to make valuable contributions to the peace process as well as the development process over the next few years.

25. As far as future emphasis on sectors and types of projects is concerned, UNDP considers that increasing attention must be directed towards industrial and agricultural projects which provide opportunities for Palestinian entrepreneurship while also adding substantially to employment prospects. Initial planning is therefore under way on the following project concepts: animal production, including cattle and rabbits; rice processing; training and production centres for small-scale industry; and dairy development.

Annex

PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE: FINANCIAL  
 ALLOCATIONS TO PROJECTS AS OF MARCH 1990

I. COMPLETED PROJECTS

<u>Project number</u>	<u>Title</u>	<u>Amount</u> (dollars)
PAL/79/001	- Identification of Social and Economic Needs of Palestinian People (Project Support)	832 404
PAL/79/002	- Specialized Training in Industrial Management	103 888
PAL/79/003	- Promotion of Pre-primary Education	255 460
PAL/79/005	- Promotion of Technical and Vocational Education	377 222
PAL/79/008	- Development and Strengthening of Health Institutions	619 220
PAL/79/009	- Specialized Training Programme in Agricultural Development	173 664
PAL/79/010	- Agricultural Training Centres (Syria)	393 743 a/
PAL/79/014	- Training in Housing	57 856
PAL/79/016	- Youth Programme	70 119
PAL/79/017	- Women's Institutions	147 903
PAL/79/018	- Children's Institutions	431 088
PAL/83/001	- Specialized Training in Anesthesiology	513 720
PAL/83/002	- Medical Services Training Centre	155 307
PAL/83/004	- Development and Strengthening of Agricultural Educational Institution at El-Aroub	62 853
PAL/83/006	- Development of Health Institutions II	393 977
PAL/85/002	- Project Preparation for the Social and Economic Needs of the Palestinian People (Consultants)	23 821
PAL/85/003	- Strengthening of Agricultural and Hydrology Laboratories	63 273
PAL/86/005	- Promotion of Technical and Vocational Training II	<u>250 738</u>
		<u>4 926 256</u>

II. PROJECTS UNDER IMPLEMENTATION

<u>Project number</u>	<u>Title</u>	<u>Amount</u> (dollars)
PAL/79/007	- Health Manpower Development	1 660 000
PAL/79/013	- Industrial Development (Olive Oil)	358 000
PAL/83/003	- Sewage Disposal and Effluent Recycling	1 757 130 <u>b/</u>
PAL/83/005	- Assistance to the Fishermen of the Gaza Strip	801 000
PAL/85/004	- Recycling of Gaza City Effluent	1 777 300
PAL/86/001	- Strengthening of Educational Institutions	4 085 000
PAL/86/003	- Development of Glass and Ceramic Engineering Technology	400 000
PAL/86/004	- Development and Strengthening of Health Institutions III	1 750 000 <u>c/</u>
PAL/86/006	- Assistance to the Municipalities	525 000
PAL/86/007	- Improvement of Water Supply Systems - Village and Rural Areas	1 933 980 <u>d/</u>
PAL/87/001	- Administrative Programme Support	768 311
PAL/88/001	- Technical Programme Support	300 000
PAL/88/002	- Development of Women's Institutions	175 000 <u>e/</u>
PAL/88/003	- Development of Light Industries (Industrial Zone Nablus)	1 574 000
PAL/88/004	- Promotion of Technical and Vocational Training	275 000
PAL/88/006	- Development of Apiculture	273 000
PAL/88/007	- Establishment of Business Development Centre	500 000 <u>f/</u>
PAL/88/009	- Drip and Sprinkler Irrigation - Gaza Strip	250 000 <u>d/</u>
PAL/89/003	- El-Duyuk Drinking Water Irrigation Development	510 000
PAL/90/003	- Preparatory Assistance for Trade Promotion Centre	55 000
		19 727 721



III. PROJECTS FINANCED BY UNITED NATIONS AGENCIES

WHO g/

<u>Project number</u>	<u>Title</u>	<u>Amount</u> (dollars)	
PAL/85/001	- WHO Collaborating Centre in Primary Health Care Research - West Bank	309 000	
PAL/85/005	- WHO Collaborating Centre in Primary Health Care Research - Gaza Strip	145 000	
PAL/86/002	- WHO Collaborating Centre in Manpower Development Aspects of Primary Health Care Research	190 000	
PAL/86/008	- Support to WHO Collaborating Centres for Studies related to Maternal Health and Primary Planning	<u>86 700</u>	<u>730 000</u>

ILO

Five projects financed by ILO have been completed. All involve training at the ILO Turin Centre, in management of training institutions, policy and consultancy activities for small-scale industries, safety and hygiene, organization and management of industrial co-ops and training of trainers.

370 127

UNFPA

The project Demographic and Socio-Economic Training (RMI/86/PO5) is presently being implemented and involves six fellowships.

246 090

a/ Was implemented by FAO in Syria.

b/ Project budget amounts to \$3,757,130. UNDP allocation is \$1,757,130, the balance being contributed by AGFUND (\$1 million) and USAID (\$1 million).

c/ Project budget amounts to \$2,207,666 and includes \$457,666 as cost-sharing by Ministry of Health, Jordan.

d/ The budgets for PAL/86/007 and PAL/88/009 amount to \$1,982,500 and include \$48,520 cost-sharing by the Tunisian Government.

e/ Project budget amounts to \$1 million and includes \$750,000 from the Government of Japan.

f/ Project budget amounts to \$985,120 and includes \$485,120 as cost-sharing by the Japanese Government.

g/ Does not include figures for support costs.

