

PALESTINIAN NATIONAL AUTHORITY

**JERICHO REGIONAL DEVELOPMENT
STUDY PROJECT IN PALESTINE**

FINAL REPORT

MAIN REPORT

August 2006

JAPAN INTERNATIONAL COOPERATION AGENCY

KRI International Corp.

Nippon Koei Co., Ltd.

Preface

In response to the request from the Palestinian National Authority (PNA), the Government of Japan decided to execute the “Jericho Regional Development Study Project in Palestine” and entrusted the Study to the Japan International Cooperation Agency (JICA).

JICA dispatched a study team to Palestine over the period from October 2005 to August 2006. The Study Team consists of experts assigned by KRI International Corp. and Nippon Koei Co., Ltd. and was headed by Mr. Hajime Koizumi as Team Leader.

The Study Team held a series of discussions with relevant officials from the PNA and local governments as well as stakeholders in the private sector and the community. It also conducted related field surveys, workshops, and quick impact projects. After returning to Japan, the Study Team made further studies and analysis and compiled the final results in this report.

I hope that this report will contribute to development of the Jericho and Jordan Rift Valley area and will enhance the friendly relationship between Palestine and Japan.

I wish to express my sincere appreciation to the concerned officials and people of Palestine for their close cooperation extended to the Study Team.

August 2006

Kazuhisa Matsuoka
Vice President
Japan International Cooperation Agency

Mr. Kazuhisa Matsuoka
Vice President
Japan International Cooperation Agency

Dear Mr. Matsuoka

Letter of Transmittal

We are pleased to submit to you the Final Report of the Jericho Regional Development Study Project in Palestine. The report has been completed by the joint efforts of the Palestinian counterparts and the JICA Study Team between October 2005 and September 2006.

A participatory planning approach was applied and more than 50 meetings were held for discussions between the members of the Steering Committee, Technical Committee and Working Groups formed for the execution of this Study. The participatory approach was also taken for the implementation of three quick impact projects. This Final Report, therefore, is the fruit of excellent collaboration and cooperation between the Palestinian and JICA experts.

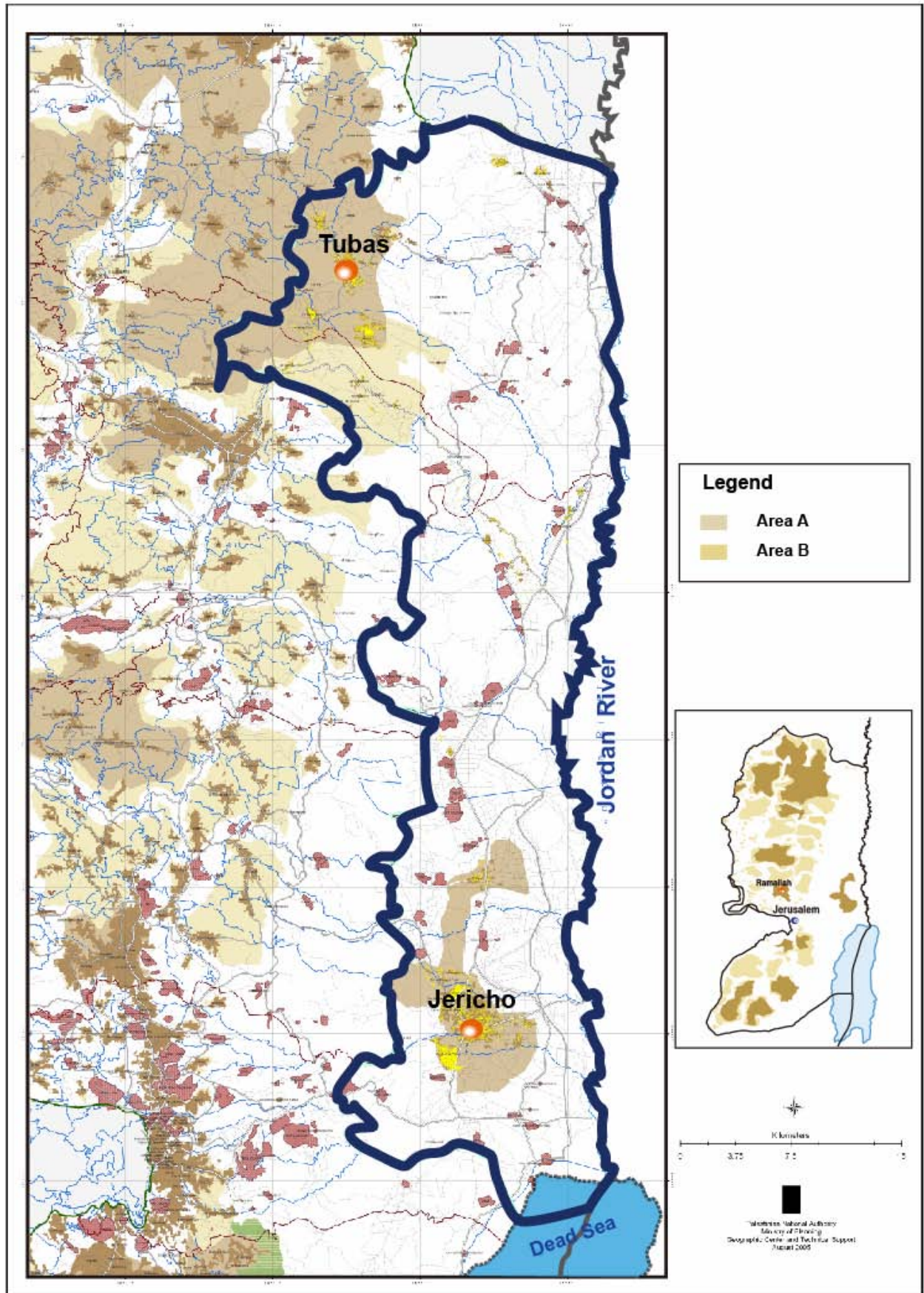
Despite various hardships and difficulties prevailing in the Study area at the moment, the Jericho and Jordan Rift Valley area has a large potential for development, particularly in agriculture and tourism. The regional potential should be developed in a harmonized and integrated manner so that the regional development programs could turn out to be more effective and sustainable. Development efforts in this region are expected to build the confidence of stakeholders in the region and the West Bank as well as among the people in neighboring countries.

The Study Team wishes to take this opportunity to express heartfelt gratitude to all Palestinian experts and people that have cooperated in the completion of this Study. Without such cooperation of the authorities and people in the region, the Study could not have been completed so successfully in a relatively short period.

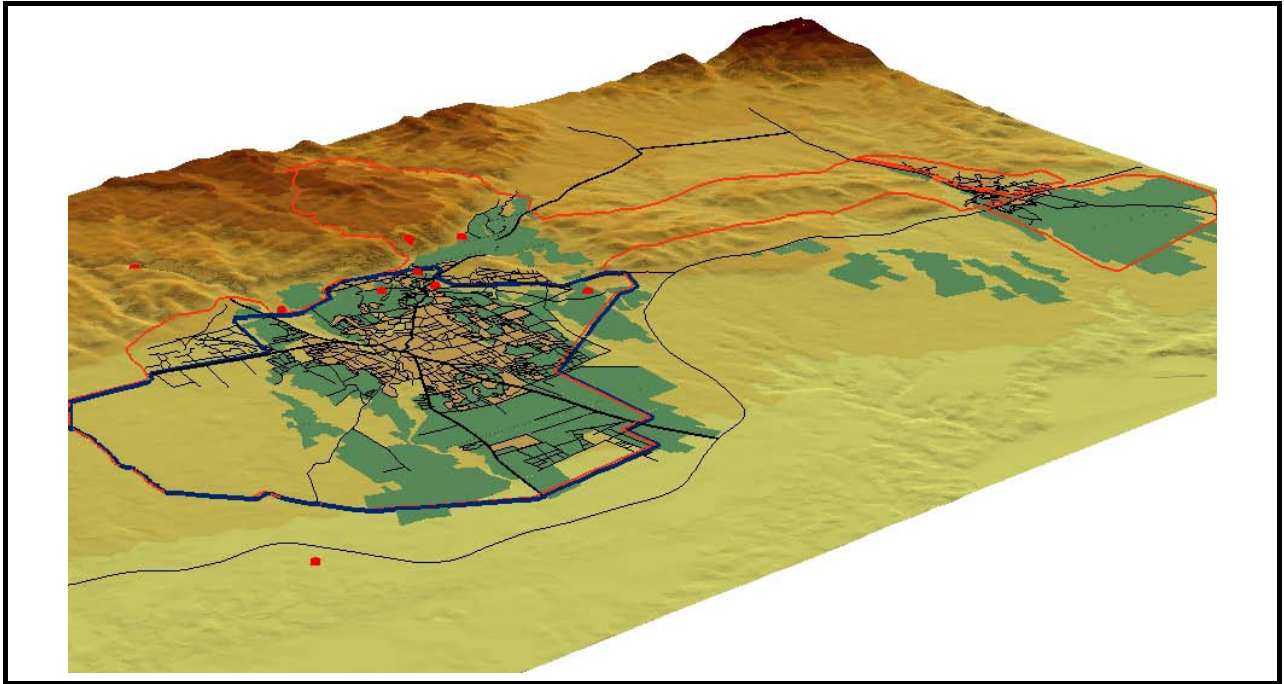
Very Truly Yours,

August 2006

Hajime Koizumi
Study Team Leader



Study Area Map



Source: JICA Study Team

Computer Graphic of the Greater Jericho Area



Jericho City Viewed from Mount Temptation

Jericho Regional Development Study Project

Final Report

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1. Current Situation of Social Development
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APPENDIX RESULTS OF SOCIOECONOMIC SURVEY

Currency Equivalents

**USD 1 = NIS 4.5 = JPY 116
as of July 2006**

Abbreviations

| | |
|-------|--|
| CAGR | Compound Annual Growth Rate |
| CAP | Consolidated Appeal Process |
| CBO | Community-Based Organization |
| CDP | Community Development Plan |
| CEP | Community Empowerment Program |
| CFU | Colony-forming Unit |
| EA | Environmental Assessment |
| EC | European Community |
| EIA | Environmental Impact Assessment |
| EMRO | Regional Office for the Eastern Mediterranean |
| EMSRP | Emergency Municipal Services Rehabilitation Project |
| EQA | Environmental Quality Authority |
| ESDC | Economic and Social Development Center of Palestine |
| EU | European Union |
| FAO | Food and Agriculture Organization |
| FIT | Free Independent Traveler |
| FMD | Foot and Mouth Disease |
| FTZ | Free Trade Zone |
| FZ | Free Zones |
| GDP | Gross Domestic Product |
| GDPP | General Directorate for Policy and Planning |
| GH | Green House |
| GIE | Gaza Industrial Estate |
| GIS | Geographical Information System |
| GRDP | Gross Regional Domestic Product |
| GTZ | German Agency for Technical Cooperation |
| HACCP | Hazard Analysis Critical Control Path |
| ICT | Information and Communication Technology |
| IDF | Israeli Defense Force |
| IE | Industrial Estates |
| IEC | Israeli Electricity Corporation |
| IEE | Initial Environmental Evaluation |
| IEP | Palestinian Industrial Estate Program |
| IFAD | International Fund for Agricultural Development |
| IMR | Infant Mortality Rate |
| IMoE | Israeli Ministry of Environment |
| JCC | |
| JCspd | Joint Council for services, planning and development |
| JDECO | Jerusalem District Electricity Company |
| JICA | Japan International Cooperation Agency |
| JWC | Joint Water Committee |
| LACC | Local Aid Coordination Committee |
| LGU | Local Government Unit |
| lpcd | Liter per capita per day |

| | |
|--------|---|
| LR | Leaching Requirement |
| LRDP | Local Rural Development Program |
| M&I | Municipal and Industrial |
| MCH | Maternal and Child Health |
| MCM | Million Cubic Meters |
| MDG | Millennium Development Goal |
| MDLF | Municipal Development and Lending Fund |
| MDP | Municipal Development Project |
| MICE | Meeting, Incentive, Convention and Exhibition |
| MMR | Maternal Mortality Rate |
| MMSDP | Municipal Management and Service Delivery Project |
| MoA | Ministry of Agriculture |
| MoEHE | Ministry of Education and Higher Education |
| MoF | Ministry of Finance |
| MoFA | Ministry of Foreign Affairs |
| MoH | Ministry of Health |
| MoI | Ministry of Interior |
| MoL | Ministry of Labor |
| MoLG | Ministry of Local Government |
| MoNE | Ministry of National Economy |
| MoP | Ministry of Planning |
| MoPIC | Ministry of Planning and International Cooperation |
| MoPW | Ministry of Public Work |
| MoSA | Ministry of Social Affairs |
| MoTA | Ministry of Tourism and Antiquity |
| MoWA | Ministry of Women's Affairs |
| MTDP | Medium Term Development Plan |
| MTFF | Medium Term Fiscal Framework |
| MTP | Medium Term Plan |
| NARC | National Agriculture Research Center |
| NEAP | National Environmental Action Plan |
| NER | Net Enrolment Rate |
| NGO | Non-Governmental Organization |
| NIS | New Israeli Shekel |
| NMEU | Nablus Municipality Electricity Undertaking |
| NPO | Non-Profit Organization |
| OCHA | UN Office for the Coordination of Humanitarian Affairs |
| ODA | Official Development Assistance |
| OECD | Organization for Economic Cooperation and Development |
| OED | Operations Evaluation Department |
| OPT | Occupied Palestinian Territory |
| PA | Palestinian Authority |
| PAPA | Palestinian Agribusiness Partnerships Activity |
| PASSIA | Palestinian Academic Society for the Study of International Affairs |
| PCBS | Palestinian Central Bureau of Statistics |
| PEC | Palestinian Electricity Company |
| PECDAR | Palestinian Economic Council for Development and Reconstruction |
| PEI | Palestinian Education Initiative |

| | |
|----------|--|
| PENRA | Palestinian Energy and Natural Resource Authority |
| PES | Palestinian Environmental Strategy |
| PFIA | Palestinian Food Industries Association |
| PHC | Primary Health Care |
| PIEFZA | Palestinian Industrial Estates & Free Zones Agency |
| PIF | Palestine Investment Fund |
| PIPA | Palestinian Investment Promotion Agency |
| PIU | Project Implementation Unit |
| PLO | Palestine Liberation Organization |
| PNA | Palestinian National Authority |
| PPR | Pest des Petit Ruminants |
| PSI | Palestinian Standards Institute |
| PWA | Palestinian Water Authority |
| PWLS | Palestinian Wild Life Society |
| PALTRADE | Palestine Trade Center |
| QIZ | Qualified Industrial Zones |
| RFC | Rural Finance Cooperatives |
| RH | Reproductive Health |
| RSGLP | Reform Support Group on Local Government |
| SEA | Strategic Environmental Assessment |
| SES | Socioeconomic Survey |
| SME | Small and Medium Enterprise |
| TVET | Technical and Vocational Education and Training |
| U5MR | Under-five Mortality Rate |
| UN | United Nations |
| UNCTAD | United Nations Conference on Trade and Development |
| UNDP | United Nations Development Programme |
| UNEP | United Nations Environment Programme |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNESCWA | United Nations Economic and Social Commission for Western Asia |
| UNFPA | United Nations Fund for Population Activities |
| UNICEF | United Nations Children's Fund |
| UNRWA | United Nations Relief and Works Agency for Palestine Refugees in the Near East |
| USAID | United States Agency for International Development |
| USD | United State Dollars |
| WBWD | West Bank Water Department |
| WHO | World Health Organization |
| WTO | World Tourism Organization |
| WUA | Water Users Association |
| WUE | Water Use Efficiency |

CHAPTER 1. INTRODUCTION

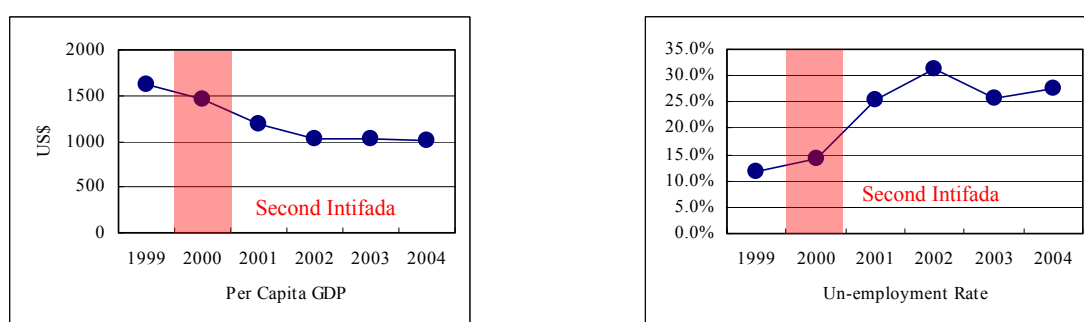
1.1 Study Background

In September 1993, the Declaration of Principles (Oslo Accords) was officially signed between the Palestinian Liberation Organization (PLO) and the Government of State of Israel. In essence, the Accords affirm the Palestinian right to self-government within the West Bank and Gaza through the creation of the Palestinian Authority. Permanent issues such as Jerusalem, refugees, Israeli settlements in the area, security and borders were deliberately excluded from the Accords and left to be decided.

Multi and bilateral donors, at the same time, initiated support for this framework by extending their assistance activities in various fields. The creation of the new framework for the Palestinian society went smoothly with an annual average economic growth rate of 6.4% from 1995 to 2000.

The Government of Japan joined the assistance to Palestine (West Bank and Gaza), and for six years from 1993 to 1999, it extended assistance with a total amount of US\$ 450 million.

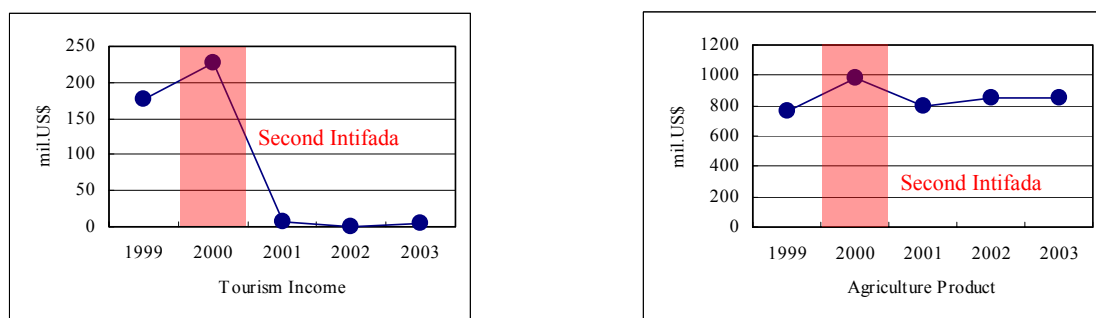
In September 2000, however, various activities for the Palestinian society had to be suspended due to the Second Intifada, and the peace processes between Palestine and Israel was seriously reversed. The damages to human lives as well as economic activities were quite serious. The major economic and social indicators, as shown below, confirm such damages.



Source: Palestinian Central Bureau of Statistics

Figure 1.1.1 Economic Conditions of the West Bank and Gaza (1999-2004)

As seen in the above table, per capita GDP dropped by 37% from US\$ 1,616 in 1999 to US\$ 1,008 in 2004. The unemployment rate was increased from 11.8% in 1999 to 27.5% in 2004. The tourism sector was more severely damaged after the Second Intifada. The tourism income in 2003 was only US\$ 4 million, which was just 1.7% of the income in 2000.



Source: Palestinian Central Bureau of Statistics

Figure 1.1.2 Production of Tourism and Agricultural Sectors (1999-2003)

After the breakout of the Second Intifada, the peace process between Palestine and Israel has been stagnant. In April 2003, however, the “Road Map,” indicating a new approach for peace building, was proposed by the United States, the European Union (EU), Russia, and the United Nations (UN). The Road Map defines steps to create a Palestinian independent state and to ensure security and peace in the region. It was after issuance of the Road Map that donors’ assistance resumed in the West Bank and Gaza.

In February 2005, the Japan International Cooperation Agency (JICA) formulated a program to promote peace building in Palestine, designating four priority sectors for immediate action; i.e., (i) administrative strengthening, (ii) improvement in living conditions, (iii) productive sector development, and (iv) support in confidence building.

In May 2005, President Mahmoud Abbas of the Palestinian National Authority (PNA) visited Japan and official discussions with the Japanese government were held. At that time, the Japanese government committed to assist the West Bank and Gaza with a total amount of about US\$ 100 million.

In August 2005, three technical cooperation projects were initiated; i.e., (i) Improvement in Local Governance System, (ii) Improving Reproductive Health with a Special Focus on Maternal and Child Health, and (iii) Capacity Development on Solid Waste Management.

Further, in response to the request by PNA, the Japanese government has agreed to conduct the “Jericho Regional Development Study” (hereinafter referred to as “the Study”), in accordance with relevant laws and regulations in force in Japan.

This Study is regarded as a core program of JICA assistance to the West Bank and it will integrate three on-going technical cooperation programs. The Study period will have lasted for a year from October 2005 to September 2006, including the operation of quick impact projects.

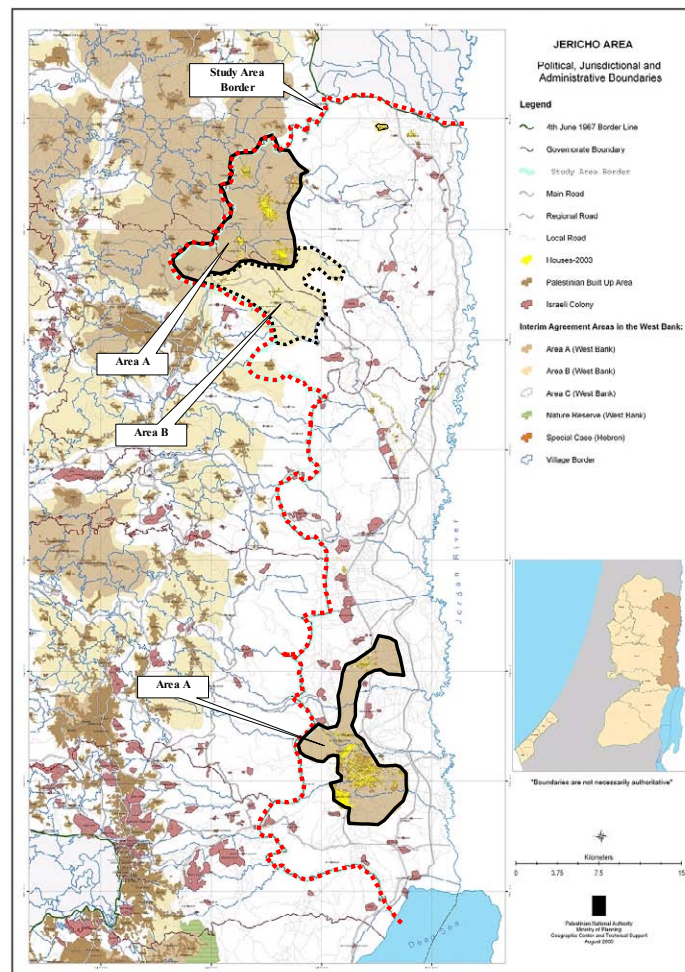
1.2 Objectives of the Study

Objectives of the Study are as follows:

| |
|--|
| Objective 1: Regional Development Master Plan Formulation |
| <i>To formulate a Regional Development Plan for the Jordan Rift Valley area with an area of about 1,093 km², targeting the year 2015.</i> |
| Objective 2: Capacity Development to Palestine Side |
| <i>To enhance the capacity to formulate and implement a regional development program through on-the-job training and seminars to be held in the course of the Study.</i> |

1.3 Study Area

The Study primarily covers the “Jordan Rift Valley area” (i.e. Jericho governorate and Tubas district) with an area of about 1,093 km². The current population in the region is estimated to be about 88,900 as of the end of 2005.



Source: MoP

Figure 1.3.1 Location of the Study Area

Although the Study area is thus designed as the Jericho governorate and the Tubas district, the Study will review the development constraints and potential in the whole West Bank. Further, in the course of the Study, it was noted that the Jordan Rift Valley area includes ten villages belonging to the Nablus governorate. The Study therefore also covers these villages within the Jordan River basin in formulating a master plan in terms of agriculture, water and the environment.

1.4 Study Execution

1.4.1 Study Period

The period of the Study is relatively short, or eight months to draft up a master plan, and an additional two months to submit a final report. All technical studies related to the formulation of the integrated regional development plan should be completed in the ten months from October 2005 to July 2006. Urban Planning for Jericho city was conducted as an additional scope of the Study starting in March and continuing until mid July 2006. The urban development plan of Jericho city is compiled in a separate volume of the Final Report.

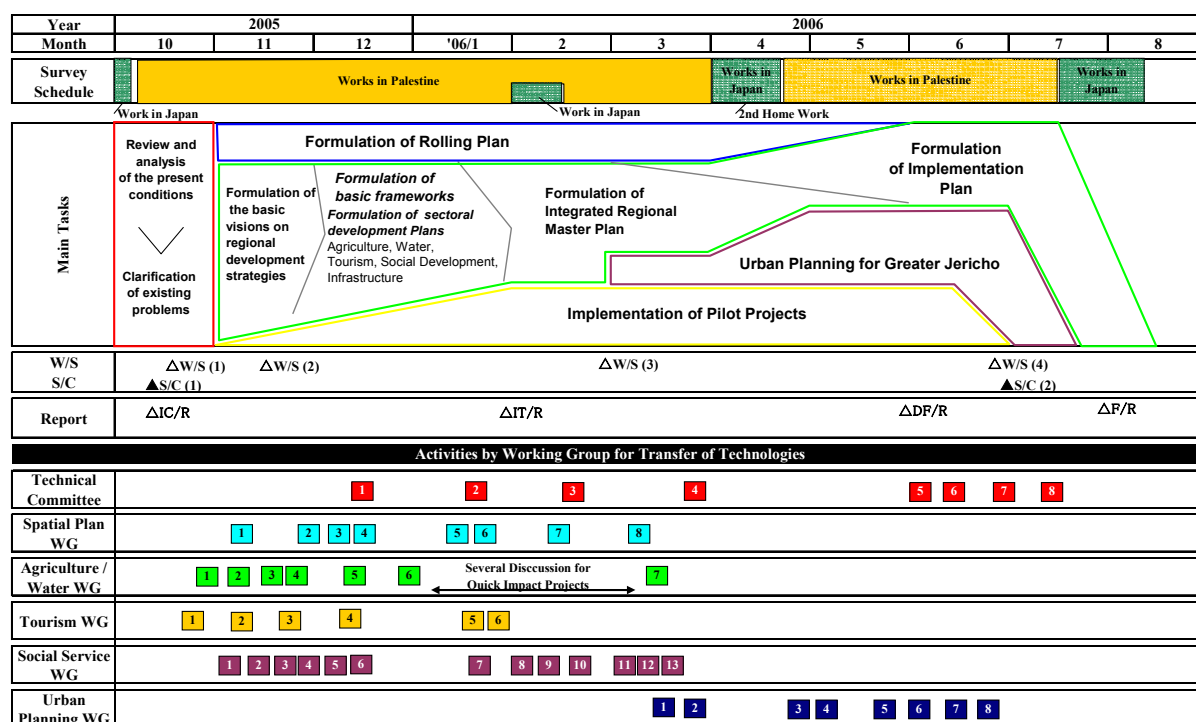


Figure 1.4.1 Schedule of the Study

1.4.2 Steering Committee

PNA has formulated a Steering Committee to execute the Study. Functions of the Steering Committee are: (i) discuss and decide overall strategies, (ii) monitor and evaluate the progress of the Study, and (iii) appraise the outputs of the Study. In the course of the Study, two Steering Committee meetings have

been held; the first meeting to discuss the Inception Report (19 October 2005) and the second to discuss the Draft Final Report (3 July 2006).

The Steering Committee is composed of thirteen representatives from the Palestinian authorities and institutions. In addition, two representatives from JICA side are included. The members are:

Table 1.4.1 Members of Steering Committee for Jericho Regional Development Study

| No. | Position | Agencies |
|-----|-------------|--|
| 1 | Chairperson | Deputy Minister of Local Government |
| 2 | Coordinator | Representative of Ministry of Planning |
| 3 | Member | Deputy Minister of National Economy |
| 4 | Member | Deputy Minister of Agriculture |
| 5 | Member | Deputy Minister of Tourism and Antiquities |
| 6 | Member | Representative of Ministry of Health |
| 7 | Member | Representative of Palestinian Water Authority |
| 8 | Member | Representative of Environmental Quality Authority |
| 9 | Member | Mayor of Jericho Municipality |
| 10 | Member | Representative of Jericho Governorate |
| 11 | Member | Representative of Tubas District |
| 12 | Member | Representative of PALTRADE (Palestinian Trade Center) |
| 13 | Member | Representative of Palestinian Federation of Industries |
| 14 | Member | Representative of JICA Palestine Office |
| 15 | Member | Leader of JICA Study Team |

1.4.3 Working Groups and Technical Committee

To enhance the capacity for formulating and implementing a regional development program, the Study Team and counterpart agencies formulated four Working Groups to have in-depth discussions and work together in formulating an integrated regional development plan. The Working Group meetings were held with the following membership:

- (i) Spatial Plan/Infrastructure Working Group
 - Leader: Ministry of Planning
 - Members: Ministry of Local Government, Ministry of National Economy, Ministry of Agriculture, Ministry of Tourism and Antiquities, Palestinian Water Authority, Environment Quality Authority, PALTRADE, Palestinian Industrial Estates & Free Zones Authority, Jericho Municipality, Tubas Municipality
- (ii) Social Service Working Group
 - Leader: Ministry of Local Government
 - Members: Ministry of Health, Ministry of Education and Higher Education, Jericho Municipality, Tubas Municipality, Other municipalities and village councils in the Jordan Rift Valley area
- (iii) Agriculture/Water Working Group
 - Leader: Ministry of Agriculture
 - Members: Palestinian Water Authority, Environment Quality Authority

- (iv) Tourism Working Group
 - Leader: Ministry of Tourism and Antiquities
 - Members: Ministry of Culture, Ministry of Planning, Jericho Municipality, UNESCO
- (v) Urban Planning Working Group
 - Leader: Jericho Municipality
 - Members: Ministry of Local Government, Ministry of National Economy, Ministry of Agriculture, Ministry of Tourism and Antiquities, Environment Quality Authority, Palestinian Water Authority, Birzeit University

The leaders of the four working groups and the Study Team formed a Technical Committee in the course of the Study. The Technical Committee assumes a role for coordination and integration of the four Working Groups. The members of the Technical Committee are:

| | |
|--------------|--|
| Chairperson: | Representative of Ministry of Local Government |
| Coordinator: | Representative of Ministry of Planning |
| Member: | Leader of Spatial Plan WG (Ministry of Planning) |
| Member: | Leader of Social Service WG (Ministry of Local Government) |
| Member: | Leader of Agriculture/Water WG (Ministry of Agriculture) |
| Member: | Leader of Tourism WG (Ministry of Tourism and Antiquities) |
| Member: | Leader of Urban Planning WG (Jericho Municipality) |
| Member: | Representative of JICA Palestine Office |
| Member: | Leader and experts in charge of JICA Study Team |

In addition to the above, another Working Group was formed to conduct the urban planning activities for Jericho city. A representative of Jericho Municipality was appointed as chairperson to coordinate operation of Working Group discussions.

In the course of the formulation of the master plan during the ten months up to July 2006, a total of 50 Working Group and Technical Committee meetings were carried out under the approach of the participatory plan formulation for the master plan.

1.4.4 Workshop

In addition to Working Group discussions, four plenary workshops have convened in the following manner:

| No. | Date | Place | Nos. of participants | Workshop contents |
|-----|-------------|---------|----------------------|---|
| 1 | 29 Oct. '05 | Jericho | 50 | - Presentation of Inception Report - Discussion / comments on Inception Report |
| 2 | 10 Nov. '05 | Jericho | 80 | - SWOT Analysis for the region - Presentation of the results of SWOT analysis by four Working Groups |
| 3 | 27 Feb. '06 | Jericho | 80 | - Presentation of Interim Report - Discussion / comments on Interim Report |
| 4 | 28 June '06 | Jericho | 80 | - Presentation of Draft Final Report - Discussion / Comments on Draft Final Report |

1.4.5 Quick Impact Projects

The Study goes beyond formulating an integrated regional development plan for the Jericho Area. Small pilot projects that have quick impact have been implemented in the course of the Study. The Study Team considers these projects that provide quick and visual impact to the people in the Study area will be effective in eliciting strong assistance and participation from the stakeholders in formulating a realistic regional development plan. The following quick impact projects have been carried out; (i) Olive oil processing and marketing promotion focusing on brand creation, (ii) Rehabilitation of an agriculture well and establishment a water saving agriculture demonstration farm, and (iii) Demonstration farm utilizing brackish water. The operation of these projects by the JICA Study Team is completing by early September 2006.

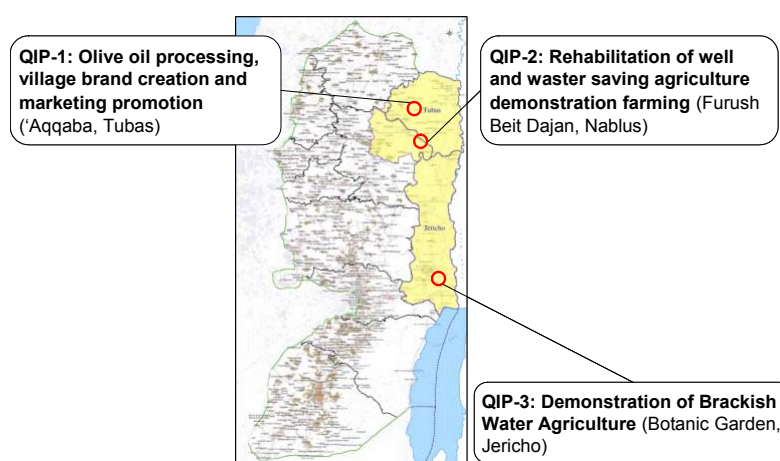


Figure 1.4.2 Location of Quick Impact Projects

Additionally, a video film for tourism promotion of Jericho has been prepared under the sponsorship and supervision of the JICA Study Team, and it is being distributed to tourism associations and agencies in the West Bank and Gaza, as well as in neighboring countries and other international markets, for promotion of regional tourism.

CHAPTER 2. UNIQUENESS OF THE JERICHO REGION

2.1 Cultural Heritage

Since the pre-historic era, the Jordan Rift Valley area has been a passageway for many civilizations and a crossroads of the track of history. The influences of many different civilizations that lived in the area have been taken into the local tradition and formed into the unique culture of the Jordan Rift Valley area. Abundant historical and cultural remains left by the passage of many different civilizations and exchange of human activities in the region are nowadays internationally recognized as valuable cultural and historical heritages and regional tourism resources, having common roots of the civilization. They are the attractive and valuable cultural assets of the Jordan Rift Valley area.








Jericho governorate has 532 archaeological sites and features, 83 main archaeological sites and 449 archaeological features such as caves, churches, springs etc. Among them, twenty archaeological sites have been excavated. Tubas district, on the other hand, has 489 archaeological sites and features, 130 main archaeological sites and 359 archaeological features. Among them, six archaeological sites have been excavated based on the information from Ministry of Tourism and Antiquities (MoTA).

According to MoTA, 96 historical, cultural, and religious monuments and parks are designated as tourist sites in the West Bank. Among them, Jericho governorate has twelve tourist sites, eight cultural sites and four amusement sites. As shown in the following chronology, Jericho city has had a significant unique impact on the history that is composed of multi-religious and culture. The major points are summarized as follows.

Table 2.1.1 Major Points of Historical and Cultural Uniqueness of the Jericho Region

| Uniqueness | Contents |
|------------------------------|--|
| Historically important sites | <ul style="list-style-type: none"> - Tell es-Sultan, “The oldest city in the world” - Birth place of agriculture and civilization - Center of Christianity in Roman times and the site of Baptism - Jesus visited the area |
| Multi-religious sites | <ul style="list-style-type: none"> - Characters of Christianity, Muslim, and Jewish religions can be observed throughout the city |
| Multi-cultural sites | <ul style="list-style-type: none"> - Characters of Roman, Arabic, and Byzantine times can be observed throughout the city |

Source: JICA Study Team

| | Palestine | Jericho |
|------------------------------|---|---|
| 8500 B.C. | Villages exist around the palace | People started to reside in Tell el Sultan |
| ~6000 B.C. | | Pre-Pottery Neolithic Age: A folk, "An-Natifiyyun" inhabited and started agriculture, domestication of animals, and weaving the making chains |
| ~4300 B.C. | | Pottery Neolithic Age: Invention of pottery |
| ~2000 B.C. | | Early Bronze Age: Urbanization |
| 1750~1580 B.C. | | Hyksos(Shepherd King)'s resume: They introduced a new system of defensive fortifications |
| ~1550 B.C. | | Middle Bronze Age: |
| ~1400 B.C. | | The Canaanites' era: People from Arabia emigrated to the city. |
| ~1200 B.C. | | Late Bronze Age: |
| 1170 B.C. | | Israelites invaded and destroyed the city |
| 4 th century B.C. | Alexander Great King conquered | Wadi Al Qelt was restored |
| 2 nd century B.C. | Jew Hasmon Dynasty ruined | |
| 63B.C.~324A.D. | Roman conquered Reign of Constantine the Great | The city was gifted to Cleopatra by A Roman general, Anthony Christianity was spread in the city and became the center of bishopric |
| 324B.C.~638A.D. | Byzantine Period | Jesus Christ visited Zacchaeus in the city |
| | |  Tell es Sultan |
| | |  Herodian Winter Palace (134B.C-) |
| | |  Wadi Al Qelt |
| | |  Tree at former Zacchaeus |
| | |  |
| | |  Mosaic in the guest room of Hisham's Palace |
| | |  Hisham's Palace |
| | Palestine | Jericho (means "moon" in arabic) |
| 638~750 | | Hisham's palace |
| ~1099 | Abbasid and Fatemid | |
| ~1292 | Crusader/Ayyubid | |
| ~1516 | Mamluke | |
| ~1917 | Ottoman period | |
| 1918~1948 | British mandate | |
| 1950~1967 | Jordanian period | |
| ~1994 | Israell Occupation | |
| 1994~ | Palestinian Authority | |

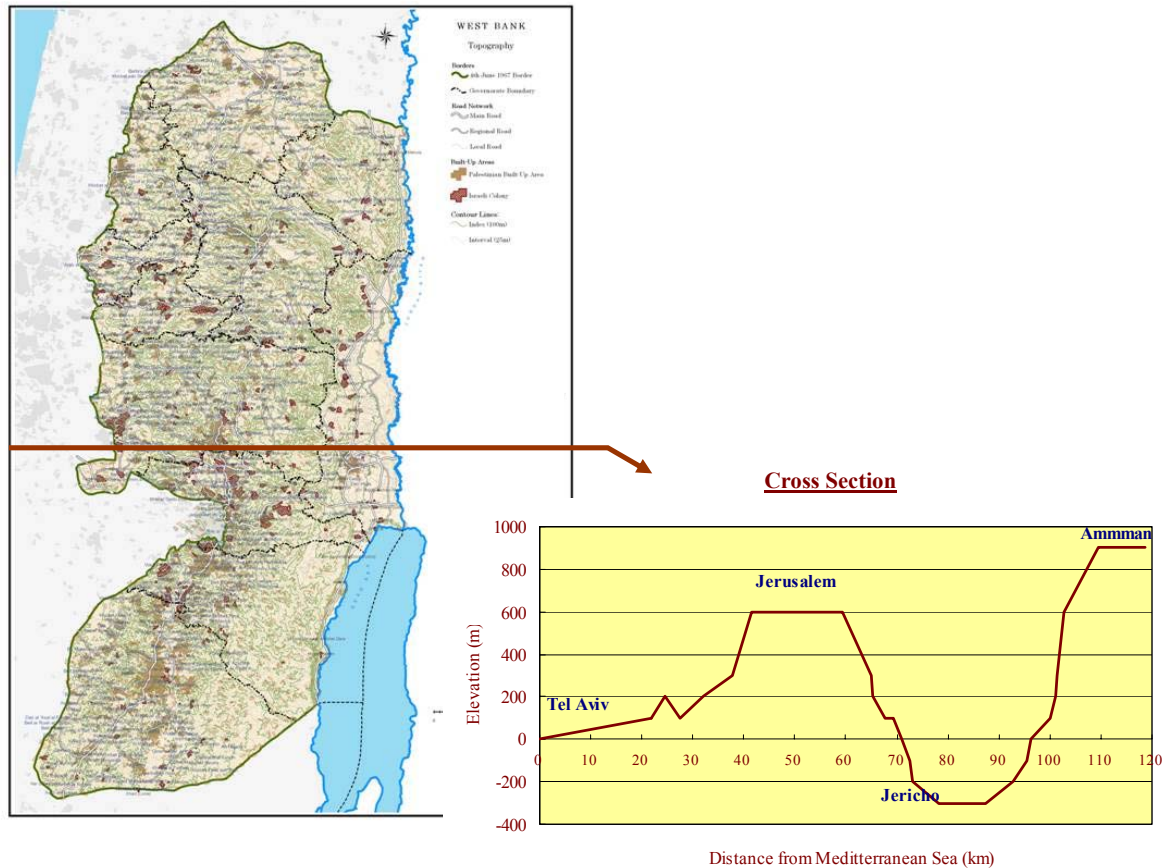
Source: Jericho Municipality / Other publications

Figure 2.1.1 Historical Chronology of Palestine and Jericho City

2.2 Topographical Uniqueness

The Study area has also uniqueness in its topography. It can be categorized into three areas based on elevation; the central highlands between 700 to 900 m in elevation, the eastern slopes, and the Jordan Valley. The lowest point is the Dead Sea at 410 m below the mean sea level (See the following figure). The central highland is mostly composed of limestone, while the eastern slopes are covered by brown

lithosols and loessial arid brown soils with pockets of cultivation spreading over steep slopes. Soil is generally thin and rainfall is erratic. In addition, much of the land is desert, eroded or saline, especially in the Jordan Valley area. All rivers are wadis having no surface water except in the rainy season, and flow from the central highlands into the Jordan River.

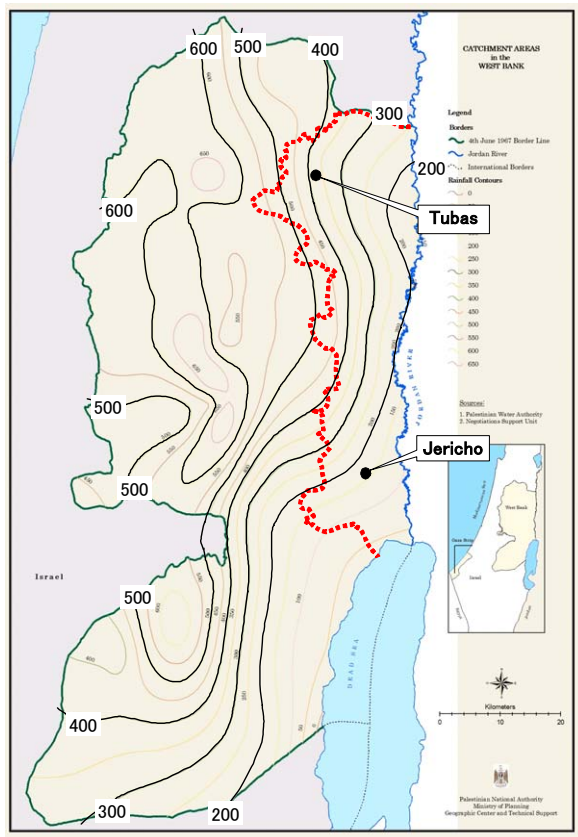


Source: MoP (2005)

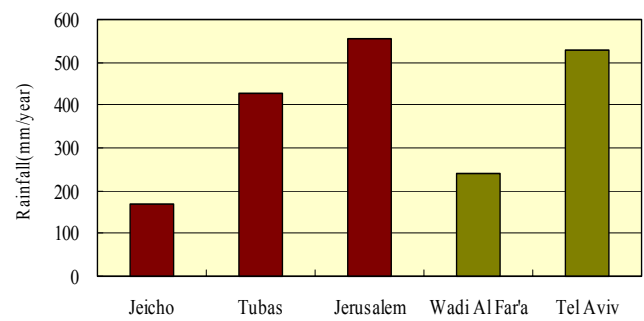
Figure 2.2.1 Topographic Features of the West Bank

2.3 Climatological Uniqueness

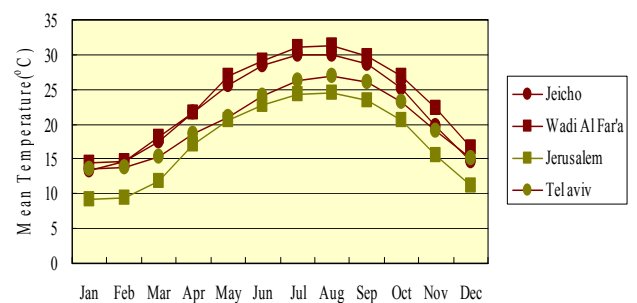
The Mediterranean climate is prevalent in the West Bank, having four months of hot dry summer and a short winter with rain from November to March. The characteristic of rainfall in the West Bank (Figure 2.3.1) is extremely affected by the topographical uniqueness. The central highlands collect orographic rainfall and cast a rain shadow over their eastern slopes. The Jordan Rift Valley is warmer and much drier than other areas in the West Bank, and therefore this climatological uniqueness affects the characteristics of the soil and the water resources, as well as agriculture in the Valley. Figures 2.3.2 and 2.3.3 show annual rainfall, mean temperature in Jericho, Tubas, Jerusalem, Wadi al Far'a, and Tel Aviv.



Source: MoP (2005)
Figure 2.3.1 Rainfall Map of the West Bank



Source: Agriculture Statistics, PCBS
Figure 2.3.2 Annual Rainfall



Source: Agriculture Statistics, PCBS
Figure 2.3.3 Mean Monthly Temperature

The average annual rainfall is 168 mm in Jericho, 240 mm in Wadi al Far'a, 429 mm in Tubas, 554 mm in Jerusalem, and 530 mm in Tel Aviv. The coolest month is January with the mean temperature of 13.3 °C in Jericho, 14.4 °C in Wadi al Far'a, 8.7 °C in Jerusalem, and 13.6 °C in Tel Aviv, while the warmest month is July or August with the mean temperature of 30.0 °C in Jericho, 31.4 °C in Wadi al Far'a, 23.8 °C in Jerusalem, and 24.2 °C in Tel Aviv.

Although the Jordan Rift Valley is extremely dry area and surrounded by desert, some areas have groundwater or spring water cultivated by orographic rainfall of the central highlands to sustain agriculture in the Valley. In addition, the warm climate even in the winter season provides some competitiveness in the agricultural industry. The warm climate of the Valley in the winter season is also advantageous for recreation and tourism.

2.4 Limited Water Resources

The irrigated area in the West Bank is estimated to be about 101,616 dunums, whereas that of the Jordan Rift Valley area is estimated at 53,156 dunums, accounting for 52% of the irrigated area in the West

Bank.¹ The following table gives a summary of irrigated areas and the total agricultural water demand in relation to the actual water use for agriculture in the West Bank.

Table 2.4.1 Agricultural Water Demand in the West Bank

| Governorate / District | Total Area ² (Dunum) | Actual Water Use (MCM) | Optimum Water Use (MCM) | | Water Deficit/ Surplus (MCM) | |
|------------------------|------------------------------------|---------------------------|----------------------------|--------------|---------------------------------|--------------|
| | | | Without LR | With LR | Without LR | With LR |
| | | | | | | |
| Jenin | 11,779 | 4.04 | 9.82 | 10.55 | -5.78 | -6.51 |
| Tulkarem | 29,345 | 16.62 | 22.33 | 22.53 | -5.71 | -5.91 |
| Nablus | 4,639 | 14.65 | 3.28 | 3.33 | 11.37 | 11.32 |
| Jerusalem | 0 | 0.00 | - | - | - | - |
| North JV ³ | 28,962 | 17.28 | 13.12 | 15.56 | 4.16 | 1.72 |
| Jericho | 24,194 | 34.84 | 35.87 | 44.68 | -1.03 | -9.84 |
| Ramallah | 890 | 1.17 | 0.70 | 0.72 | 0.47 | 0.45 |
| Bethlehem | 814 | 0.37 | 0.45 | 0.45 | -0.08 | -0.08 |
| Hebron | 993 | 0.17 | 0.32 | 0.32 | -0.15 | -0.15 |
| Total | 101,616 | 89.14 | 85.89 | 98.14 | 3.25 | -9.00 |

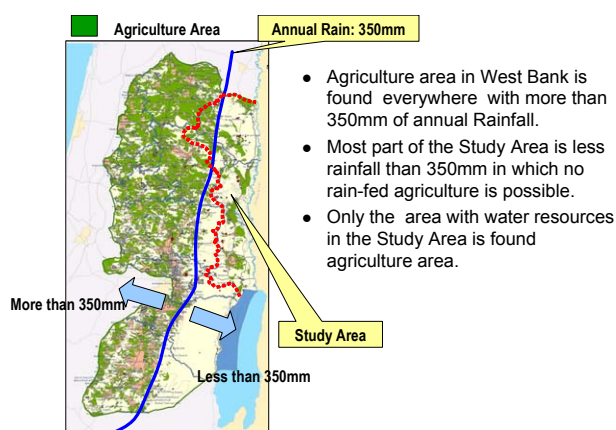
LR: Leaching Requirements

Source: Water Resources and Irrigated Agriculture, Applied Research Institute (1998)

With respect to the actual water use, the West Bank consumes 89.14 MCM/year, whereas in the Jordan Rift Valley area it is 52.12 MCM/year, which represents 58% of the West Bank. Likewise, in the West Bank, the optimum water use with leaching requirements is calculated to be 98.14 MCM/year, and in the Jordan Rift Valley area, 60.24 MCM/year or 61%. It is clear that irrigation water use in the Jordan Rift Valley area is more than one half of the total in the West Bank. This is due to the fact that the areas with high potential groundwater are located along wadis, especially as the existing springs and wells are concentrated in lower wadis, i.e., the Jordan Rift Valley area.

The main reason for the high irrigation rate in the Jordan Rift Valley is that the annual rainfall is approximately 200 mm, with which rain-fed agriculture is not possible. In fact, most of the areas with more than 350 mm of annual precipitation in the West Bank are cultivated as shown in Figure 2.4.1.

Despite the fact that the Jordan Rift Valley area uses more than one half of all irrigation water, efficiency of irrigation water use in the region, measured in terms of water used per unit area, is lowest in the West Bank. The urgent challenge



Source: MoP

Figure 2.4.1 Existing Agriculture Area in the West Bank

¹ 1 dunum = 1,000 m² = 0.1 ha

² Total irrigation area in the listed districts was estimated in 1993, whereas the area of 2003/04 was estimated at 131,432 dunums in the entire West Bank according to the data of PCBC, 2004.

³ Northern Jordan Valley, including Tubas district

then is for the people in the Jordan Rift Valley area to use their limited water resources efficiently to maximize income and employment, while protecting and restoring the natural environment. In this context, definitive governmental intervention is needed to regulate water usage, to stimulate more efficient use of water resources and to assure sustainability of water resources for future generations.

2.5 Scattered Residential Area

The current population in the Study area was estimated at around 88,900 as of 2005, which is only 2.4% of the whole population of the West Bank and Gaza. On the other hand, the Study area is 1,093km², which is 18.1% of them. The population density is rather low with 86 persons/km² as of 2003, which is only 2.4% of the population density of Gaza with 3,523 persons/km², or 21.8% of the population density of the West Bank with 394 persons/km².

Table 2.5.1 Comparison of Population Density in the West Bank and Gaza

| Items | Jordan Rift Valley | West Bank | Gaza | West Bank/Gaza |
|---|--------------------|-----------|-----------|----------------|
| Area (km ²) | 995 | 5,655 | 365 | 6,020 |
| Population (2003) | 86,081 | 2,228,759 | 1,286,009 | 3,514,768 |
| Population Density (persons/km ²) | 86 | 394 | 3,523 | 583 |

Source: PCBS

The residential areas in the Jordan Rift Valley area are found around the water resources, particularly at the source of spring water along the eastern slope of the West Bank. The location of residential areas and the spring water resources are shown in Figure 2.5.1.

In addition to the Palestinian residential areas, there are approximately 30 Israeli settlements in the Jordan Rift Valley area. Total population in those settlements is reported to be around 8,000-9,000. All the Israeli settlements exist in Area C, and the settlement areas are closed and separated from the Palestinian society.

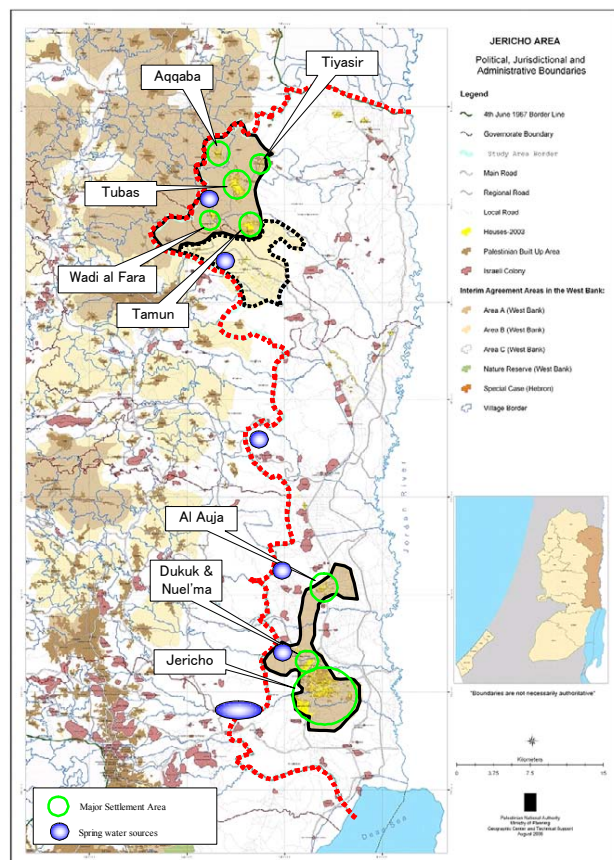


Figure 2.5.1 Location of Major Settlement Areas

2.6 Crossroads of Corridor

Historically, Jericho was in function as an oasis city of the Jordan Rift Valley for the people to move and rest. The people started to cultivate for agriculture activities in Jericho with the spring water and warmer weather, and a city was formed. Corridor network was developed toward north-south, and east-west, and Jericho was serving as an intermediate place for culture and trades. Jericho was then developed as cross-point of the people and goods.

The two corridors were developed and strengthened linkage from/to Jericho, the Middle East, the Mediterranean Sea and the Red Sea, and the movements of the people and goods with cultural exchange was activated based on the agricultural and commercial activities.

In modern history, Jericho has been placed under the Ottoman Empire rule, British mandate, Jordanian rule and Israeli occupation. In these

periods, the movements of people and goods were encouraged in order to strengthen the powers of the foreign rulers and occupiers. In the 20th century, those countries constructed roads in pace with the Industrial Revolution and secured fast transport to expand their territories. As a result, the east-west and north-south corridors were developed as arterial roads. Particularly, the road over the flat terrain along the Jordan River in the north-south corridor was emphasized from the viewpoint of geopolitics.

In May 2001, the UN Economic and Social Commission for Western Asia (UNESCWA) adopted the “Agreement on International Roads in the Arab Mashreq” for promotion of international corridors in the Middle East. Route M40 that runs through the West Bank has been designated as one of the main east-west corridors in the region. Route M45 is the main north-south corridor planned to run through Jordan as shown in Figure 2.6.2.

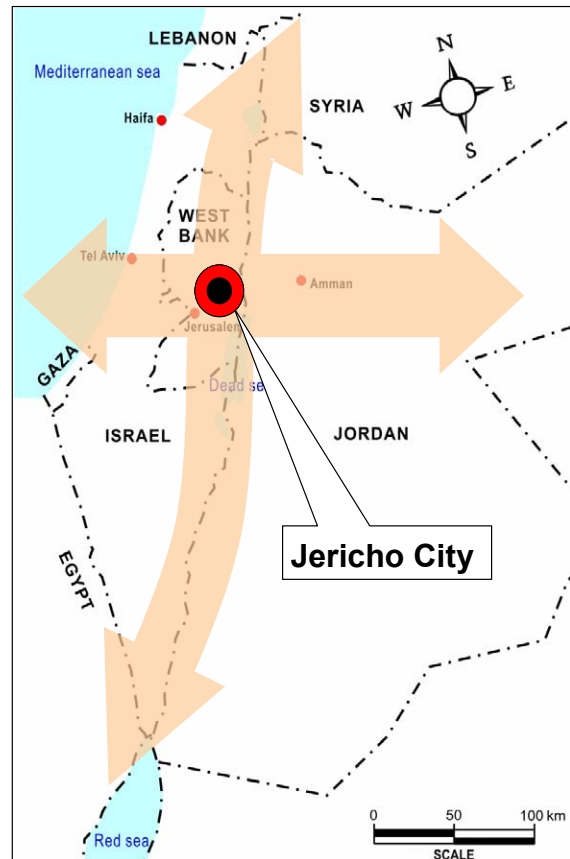
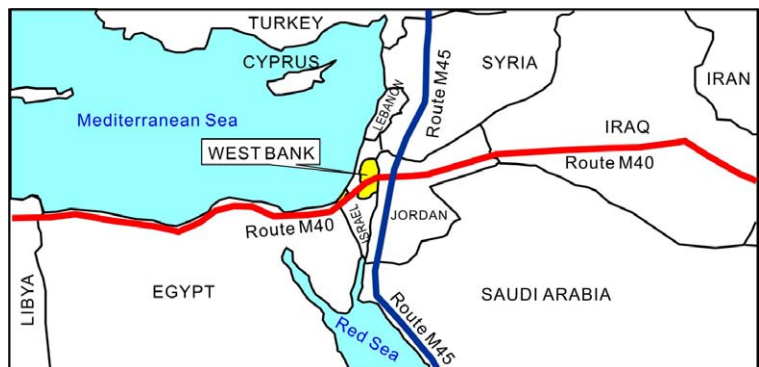


Figure 2.6.1 Jericho, Cross Roads of Corridors



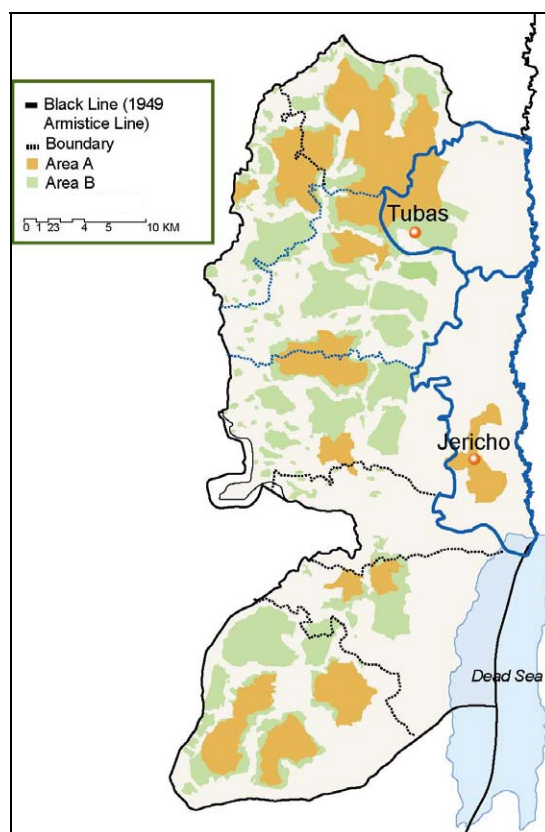
Source: UNESCWA

Figure 2.6.2 Planned International Roads

Both historical achievements and modern development plans indicate, implicitly and explicitly, that international corridors via Jericho and/or the West Bank will no doubt play a significant role in the prosperity of the region.

2.7 Security Situation

Based on the Oslo Accords in 1993, the Study area, like the other parts of the West Bank and Gaza, has been classified into three kinds of Areas in accordance with the degree of autonomy accredited. Jericho and Tubas cities are classified into Area A where the highest degree of autonomy has been admitted. Most of the Study area, however, remains Areas B and C. Generally, Area A is isolated from Areas B and C, and roads between the two Areas are cut off by checkpoints controlled by the Israeli authority. Only Palestinian people with special permits can pass these checkpoints. At the border area, a back-to-back system is usually applied to Palestinian freight supposedly for security reasons. These restrictive measures and impediments under the closure regime result in increase in transportation cost and delays to delivery and negative impacts to the quality of Palestinian products.



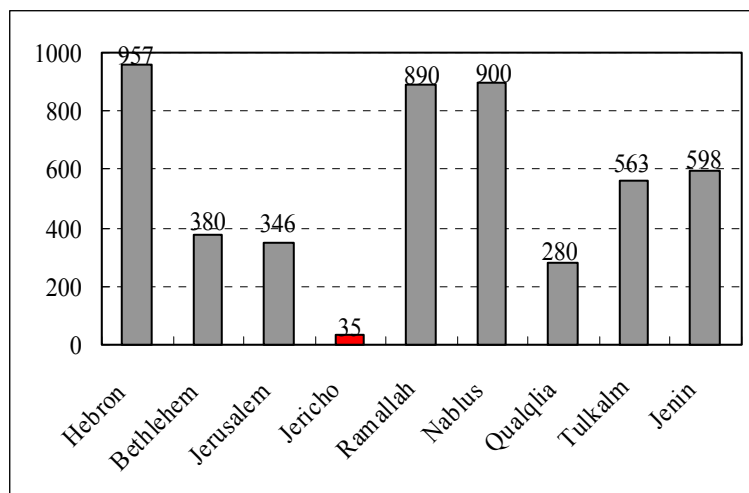
Source: MoP
Figure 2.7.1 Land Classification by Oslo Accords

Table 2.7.1 Classification into Areas A, B and C

| Category | Area (km ²) | (%) |
|----------|-------------------------|-----------|
| Area A | 148 | (13.6 %) |
| Area B | 58 | (5.3 %) |
| Area C | 887 | (81.1 %) |
| Total | 1,093 | (100.0 %) |

Source: MoP

The security situation remains stable in general in the Jordan Rift Valley area, especially in Jericho city and its vicinity. The security situation there has historically been better than the other areas in the West Bank.



Note: The “Incidents” include the following items, fatality or casualty suffered by the Palestinians, the IDF (Israeli Defense Force) or the Israelis, bomb explosions, armed or unarmed confrontations, house demolition, search operations by the IDF, curfews or arrest of Palestinians.

Source: Joint Security Coordination Office, Jerusalem

Figure 2.7.2 Summary of the Incidents Inside the West Bank (February 2005 - January 2006)

Until the Second Intifada in 2000, Jericho had been a popular tourist and resort place among domestic and foreign visitors to the West Bank. The character of the Jericho people is gentle and welcoming to visitors. Once the security situation recovers, free movement of people and goods will be secured and many tourists are expected to come back. It will hence drastically accelerate the Palestinian economic restoration.

CHAPTER 3. DEVELOPMENT EFFORTS

3.1 Development Plans at National Level

The Palestinian economy and communities have been heavily affected by the Second Intifada and the subsequent closure policy imposed by Israel since 2000. The gross domestic product (GDP) per capita in 2004 (US\$ 1,268), for instance, dropped to the level of 79% of GDP per capital in 1999 (US\$ 1,612). Heavy closures with limitation in the movement of the people and commodities have led to the creation of new economic structures, and to the fragmentation of the social networks and public services. To overcome these difficulties, efforts have been made by the Palestinian National Authority (PNA) and civil society. Major development efforts made by the government are briefly described herein.

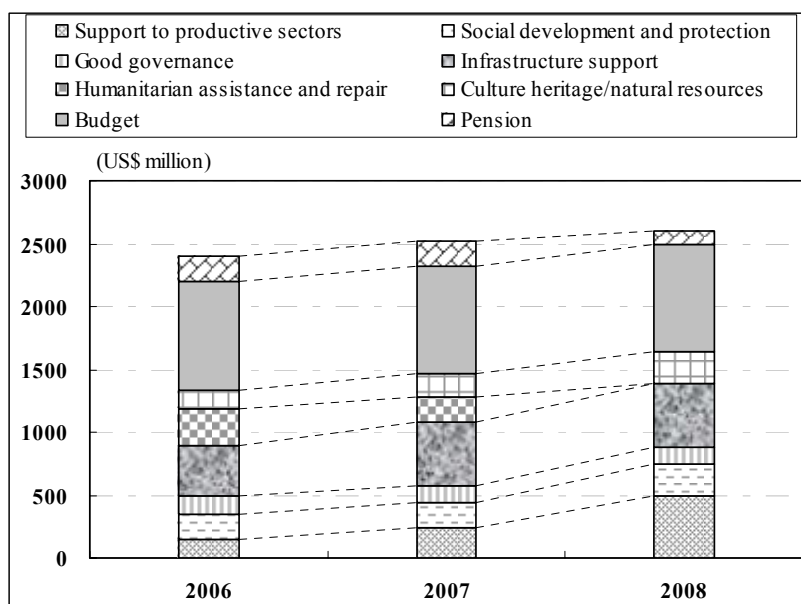
3.1.1 Medium Term Development Plan

The Medium Term Development Plan (MTDP) for 2006-2008 was drafted at the end of 2005, updating the MTDP for 2005-2007. Both MTDPs have been formulated on the basis of the Millennium Development Objectives set under the Decree issued in September 2005 in the following manner.

- (i) Establishment of an independent democratic Palestinian state;
- (ii) Establishment of a modern economy, working with human capital as the highest priority resource;
- (iii) Provision of social care and protection for all citizens; and,
- (iv) Protection and development of natural resources, including land, water, the environment and energy sources.

MTDP sets out two scenarios; i.e., “Status Quo” and “Permanent Resolution.” The former scenario is an operative scenario on the assumption that the recent political and social environments, as well as economic conditions change gradually. While, the latter scenario assumes that the current constraints on mobilization and business are ended. It is envisaged that MTDP would be monitored on the basis of inputs (allocated resources), outputs (efficiency in implementation), outcomes (socioeconomic indicators of outputs) and impacts (achievements of outcomes). In November 2005, a new department, the Monitoring and Audit Unit, was set up under the Ministry of Planning (MoP).

MTDP envisages sizable investment requirements for budgetary support, social and human physical development, and creation of the environment for private sector growth. The following figure demonstrates the investment requirements under MTDP.



Source: MTDP for 2006 - 2008

Figure 3.1.1 MTDP Investment Requirement (2006 -2008)

MTDP is combined with another pillar, i.e., Medium Term Fiscal Framework (MTFF). Revenues and expenditures for 2006-2008 are envisaged as shown in the following table, along with the recent performance.

Table 3.1.1 Current Expenditures in the Period 2002-2008

(Unit: million US\$)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Revenues | 257 | 763 | 947 | 1,078 | 1,132 | 1,188 | 1,248 |
| Expenditures | 957 | 1,047 | 1,340 | 1,547 | 1,783 | 1,894 | 2,015 |
| <i>Items in the Expenditures</i> | | | | | | | |
| Wages and salaries | 626 | 744 | 874 | 1,017 | 1,174 | 1,285 | 1,407 |
| Current expenditures and transfers | 331 | 303 | 466 | 530 | 609 | 609 | 608 |
| Net lending | 0 | 175 | 147 | 280 | 200 | 125 | 75 |
| Tax pay back | 5 | 16 | 16 | 20 | 20 | 21 | 23 |
| Balance | - 705 | - 475 | - 556 | - 769 | - 871 | - 852 | - 865 |
| External budget support | 502 | 261 | 352 | 390 | 871 | 852 | 865 |
| Other financing sources* | 203 | 214 | 204 | 379 | 0 | 0 | 0 |

Note: *Includes value-added tax revenues withheld by Israel and other bank loans.

Source: Ministry of Finance (MoF) figures used for all items, with the exception of wage and salaries for 2005-2008 and net lending for 2005, in which IMF figures are used. Figures on net lending for 2006-2008 are hypothetical, as all numbers are pending MoF final approval.

As obvious from the above table, PNA depends heavily on the external budgetary supports. Such supports are required for public reform, social and humanitarian assistance, and basic service delivery for the Palestinian people.

3.1.2 Development Plan for Palestinian Refugees

Palestine has dozens of refugee camps for the refugees accepted since the 1948 Arab-Israel Conflict (including two camps in Jericho, as shown in the Figure). The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), established by a resolution of the United Nations General Assembly, is assisting refugees in these camps by protecting their minimum human security. The number of the refugees in the middle-east countries with refugee camps has been gradually increasing up to more than four million¹.

UNRWA has its own Medium Term Plan (MTP) for 2005-2009, aimed at (i) rehabilitation of services to the refugees, (ii) upgrading physical infrastructure, and (iii) preparation of groundwork for economic development. MTP puts major focus on support in education, health, relief and social services, micro finance, and micro-enterprise development.

Although two refugee camps are located in Jericho, this Study precludes detailed plan for development within these camps. Nonetheless, the Study will envisage overall development of the regional land and water development, as well as regional infrastructure that would cover the area in and around the refugee camps.

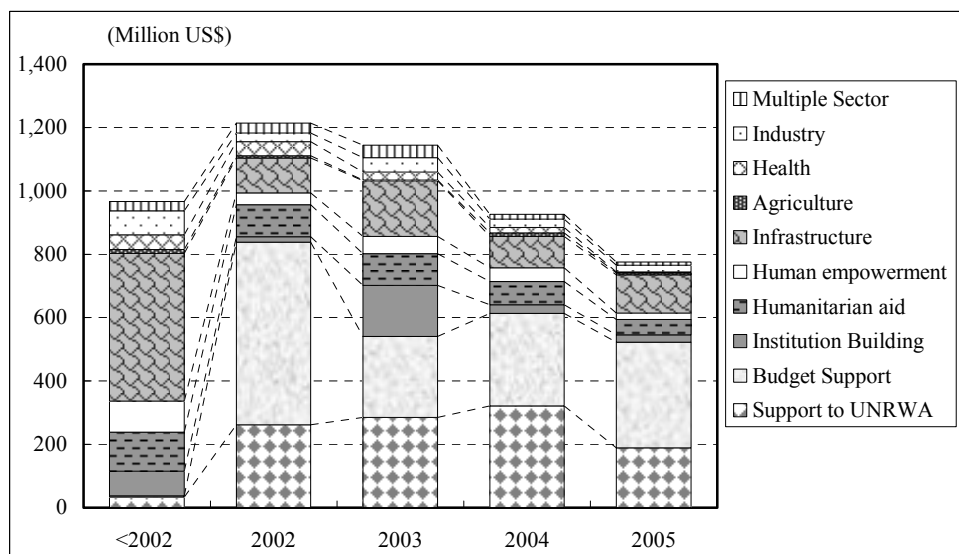
3.1.3 Cooperation of International Donors

To support the efforts of the Palestinian people and government, international donors have been extending assistance in various fields. The following figure shows annual disbursement of international donors by sector during the period from 2002 to 2005.



Figure 3.1.2 Refugee Camps in the West Bank

¹ The number is as of 2002 (<http://www.un.org/unrwa>), and it covers all the registered refugees accommodating in registered refugee camps located in Lebanon, Syrian Arab Republic, Jordan and the West Bank and Gaza. However, the number may be more than four million, because, as of December 2005, the total number of the refugees in the West Bank and Gaza is around 1,650,000.

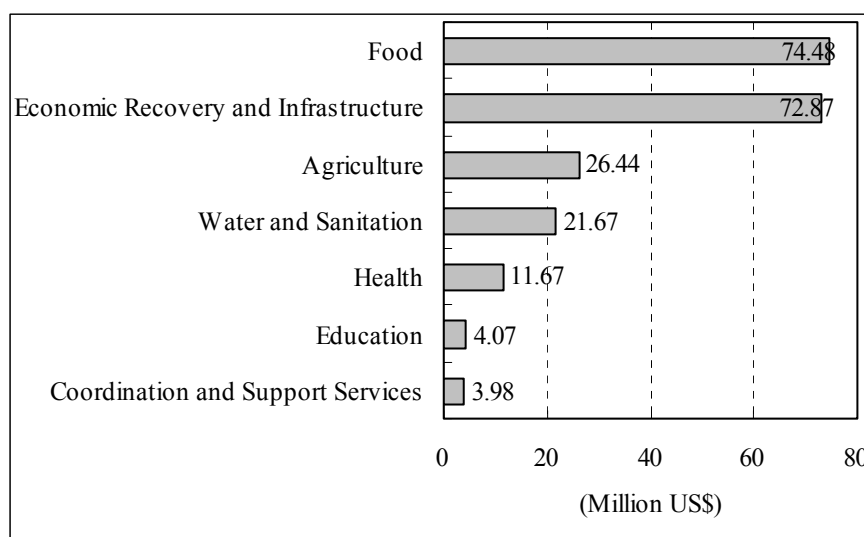


Source: MoP

Figure 3.1.3 Annual Disbursement of International Donors

Note: The disbursement to UNRWA can be utilized to support UNRWA’s activities not only in the West Bank and Gaza but in Lebanon, Syrian Arab Republic and Jordan.

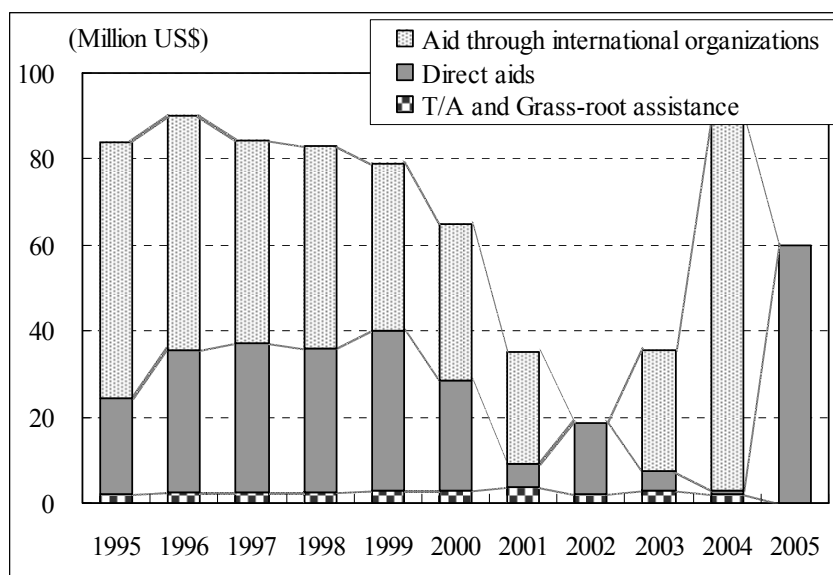
UN agencies have been leading the international support to the Palestinian people, including the support through UNRWA. Together with international NGOs, UN agencies have set up an annual program for assistance, called the Consolidated Appeals Process (CAP). For instance, CAP for 2006 is programmed to support such sectors as (i) food security and agriculture, (ii) economic recovery and infrastructure, (iii) water and sanitation, (iv) health and education, and (v) coordination and support services, as shown in the following figure.



Source: CAP 2006

Figure 3.1.4 Requirements for the CAP 2006 by Sector

On the other hand, the Government of Japan has been extending financial and technical assistance to Palestine since the Oslo Accords in 1993. The Japanese assistance has been mainly focused on (i) emergency and humanitarian assistance, (ii) support in administrative reforms, (iii) support toward a self-dependent economy, and (iv) promotion of confidence building through development cooperation.



Source: MOFA, Japan (as of September 2005)

Figure 3.1.5 Japanese Assistance to Palestine

3.2 Existing Sector Development Plans

Most development plans by sector are pursuing the strategies and programs defined under MTDP, while some sector development plans have been additionally formulated.

(1) Social Development Sector

The health and education sub-sectors generally follow the visions, strategies and programs defined under MTDP, though the education sub-sector previously had its own Five-Year Plan for 2001-2005 (Statistics show that the fund disbursement by multi and bilateral donor agencies amounted to US\$ 95.9 million in the health sub-sector and US\$ 84.4 million in the education sub-sector in 2001-2005).

The health sub-sector development plan under MTDP focuses on improvements in the health care system by the Ministry of Health (MoH), particularly primary health care, in the health insurance system, and in human resource development. Dozens of improvements in facilities and services are proposed, together with improvement in nutrition, vaccination and other medical services. MTDP proposes to formulate a National Strategic Health Plan with the relevant action programs.

MTDP in the education sub-sector also outlines programs to be implemented in pre-school education, basic education and higher education, as well as informal education for the people. The preceding

five-year plan (2001-2005) emphasized that education is a human right and basic component of citizenship, and that it is a tool for the social and economic development of Palestine. A participatory process has been introduced in the education sub-sector development as well.

Both health and education sub-sector plans are rather narrative, and they do not set any quantitative target to attain during the plan period.

(2) Agriculture Sector

The Medium Term Agricultural Development Plan for 2001-2005 was issued, putting emphasis on (i) sustaining natural resources, (ii) ensuring food security, (iii) enhancing productivity, marketing and exports, (iv) developing a sustainable system for rural financing, and (vi) capacity building in institutions and human resources in the sector. The Strategy for Sustainable Agriculture in Palestine for 2001-2005 was also defined to implement the five-year development plan.

The Ministry of Agriculture (MoA) drafted the Agricultural Medium Development Plan for 2005-2007. The draft plan, as of March 2005, proposed (i) improvement in food security and poverty reduction, (ii) institutional reform and capacity building, (iii) improvement in extension services to farmers, (iv) conservation and development of natural resources, green areas and wildlife, and (v) enhancement of marketing and trade of agricultural products. Although this Plan has not been officially promulgated yet and it does not indicate any quantitative targets to attain during the plan period, it should be referred to in formulating the strategies for the integrated regional development plan in the Jericho and Jordan Rift Valley area.

(3) Tourism Sector

The tourism sector is one of the main industry sectors and is expected to contribute the Palestinian economic development, as Palestine has enormous archaeological heritage sites that can attract people. With the national policies to protect and promote the Palestinian culture (religious diversity, political pluralism, and original tradition), MTDP indicates the following development strategies to revive the sector to the level prior to the Second Intifada: (i) to assist the industrial sector regrouping, (ii) to provide support for the rehabilitation of infrastructure and services, and (iii) to strengthen institutional capacities and policies and industrial trade groups.

(4) Environmental Sector

The Palestine Environmental Strategy (PES) is a masterpiece in the environmental sector, evaluating the problems, defining targets, and proposing priority measures to attain such targets. Nine priority themes are defined; i.e., depletion of water resources, deterioration of water quality, depletion of natural resources,

land degradation, air and noise pollution, shoreline and marine pollution, depletion of biodiversity, landscape degradation, and threats to cultural heritage.

Based on the PES, the National Environmental Action Plan (NEAP) for 2000-2002 was formulated, and a total of 111 priority environmental projects and actions were presented. However, the circumstances after the Second Intifada have caused significant delays in their implementation. At the moment, the Environmental Quality Authority (EQA) identifies 33 priority programs for implementation, most of which are geographically located in the Gaza Strip and nation wide (only four programs are in the West Bank). The remaining 78 projects are scheduled for implementation in the subsequent stage, including 32 programs in the West Bank.

(5) Infrastructure Sector

MTDP for 2006-2008 emphasizes the serious shortages of basic infrastructure as well as needs of rehabilitation and modernization of existing facilities, promoting an economically enabling environment and improving living conditions. For resolving such issues, the Plan outlines the development challenges of the infrastructure sector – especially focusing on the transportation, electricity, water and sewerage, and solid waste sub-sectors – and proposes 27 programs. Those programs include (i) construction of public schools and houses and public service centers, (ii) rehabilitation and construction of road networks and agricultural roads, (iii) expansion of electricity grid networks, (iv) rehabilitation of water supply networks and setting up of wells and connection pipelines, and (v) rehabilitation of solid waste management systems and facilities.

3.3 Development Plan at Regional Level

“The Regional Plan for the West Bank Governorates”, targeted for the year 2010, was formulated by the then Ministry of Planning and International Cooperation (MoPIC) in December 1998. The Plan covers the West Bank, but excludes Jerusalem, Palestinian refugee camps, and Israeli settlements. The main objectives of the Plan are:

- (i) To define the principles and the basis of a comprehensive land development strategy dealing with socioeconomic aspects, in relation to their spatial implications; and,
- (ii) To illustrate the impact of the urban and rural development on national resources and clarify the conflicts inherent in the physical development over all levels.

To achieve the two objectives, three goals have been targeted; i.e.,

- (i) Increase in Productivity:
The production system will be enhanced to create economic growth in the society, heighten levels of income, and cover human needs.
- (ii) Future Utilization of natural resources and the environment:
Natural resources and the environment will be protected in order to direct future development into sustainable tracks through monitoring, rehabilitation, protection and preservation.
- (iii) Economic growth and development:

For balanced regional development, resources and income will be efficiently allocated.

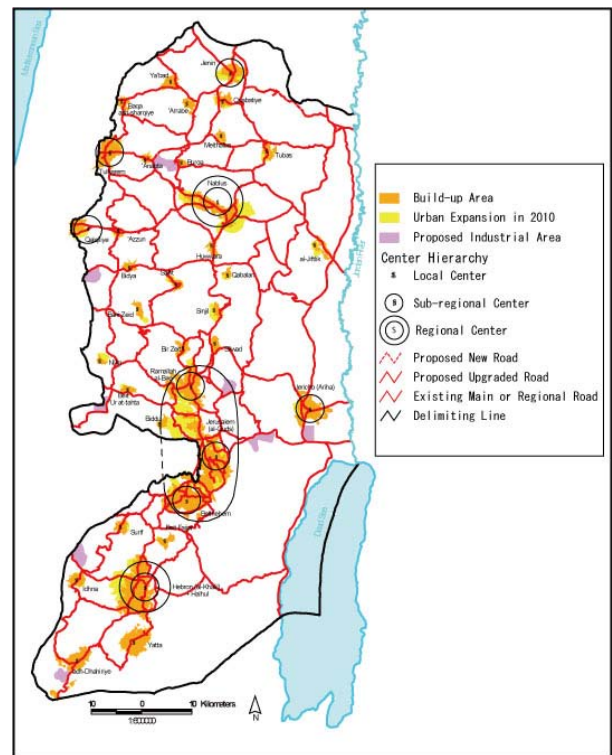


Figure 3.3.1 West Bank Regional Plan (1998)

The Plan proposed sector-specific development approaches and a land-use plan to follow such approaches. Because it was formulated before the Second Intifada, the basic assumptions are quite different from the present situations.²

3.4 On-going JICA Cooperation in Jordan Rift Valley Area

JICA has been implementing three technical cooperation projects in the Jordan Rift Valley area:

- (i) Improvement in Local Governance System in Palestine (2005-2008)

The project aims at comprehensive administrative capacity development, focusing on the financial strength of the local councils and integrated administrative approaches. For strengthening the financial governance, the project will support the Ministry of Local Government (MoLG) and the Joint Councils for Services, Planning and Development (JCspd) adopting the national policies for rehabilitating the central and local financial systems and strengthening their capacity.

² The Plan assumed that all areas of the West Bank and Gaza would return to Palestinian autonomy by 2005.

- (ii) Capacity Development on Solid Waste Management in Jericho and Jordan Rift Valley (2005-2008)

The Local Government Law of 1997 states that the public social services, including solid waste disposal, are to be delivered by the Joint Service Councils (JSCs), organized as new local autonomous bodies under the Law. JSCs, however, have not worked effectively due to the lack of legalized policies on implementing the newly established system. Recently, the MoLG has evolved JSCs to a new local body, Joint Councils for Services, Planning, and Development (JCspd), to provide social services in a better manner. This project focuses on improving the solid waste management system with the final goals set to (i) implementation of sustainable and effective solid waste management systems in the Jordan Rift Valley area, and (ii) formulation of a solid waste management model that is reasonable and functional for the targeted areas and applicable to other regions

- (iii) Improving Reproductive Health with a Special Focus on Maternal and Child Health (2005-2008)

A goal has been set for the improvement of existing maternal and child health (MCH) care and reproductive health services, through the capacity building of officers in the MoH and village health workers, the improvement of the present administrative systems, and the distribution of mother/child health handbooks. There will be pilot activities in Jericho and Ramallah governorates, holding workshops to disseminate relative information to people and call their daily attention more to MCH for creating better health conditions for mothers and children.

This Study on the Jericho Regional Development would integrate the three technical cooperation projects and formulate an integrated regional development plan in the Jordan Rift Valley area.

3.5 Limitation in Basic Data and Information

Despite the efforts made by PNA for planning and implementation of the development programs at the national and regional levels, as well as the cooperation extended by international donors in the last decade, there still remains a shortage in basic data and information in formulating an integrated regional development plan. The lack of available data and information includes, among others, the following:

- (i) Administrative boundaries, separating targeted areas inside the West Bank, are vague.
- (ii) Lack of basic data on GDP, employment and other social and economic indicators at the governorate and local government units in the West Bank and in Palestine;

- (iii) Shortage in data and information on the actual utilization of water and other natural resources in the Jordan Rift Valley area, inclusive of Area C currently occupied by the Israeli settlements;

It is noted that this Study has been executed on the basis of such limitations in the available data and information in the West Bank, including the Jordan Rift Valley area.

CHAPTER 4. OBJECTIVES OF JERICHO REGIONAL DEVELOPMENT

4.1 SWOT Analysis for Regional Development

A SWOT analysis for development of the Jordan Rift Valley area has been jointly conducted at the second workshop held on 9 November 2005. More than 80 participants, mainly from central and local governments, discussed the *Strengths*, *Weaknesses*, *Opportunities* and *Threats* of the region for setting a vision for the future and the objectives of the Jericho Regional Development Master Plan. The results of the SWOT analysis are summarized as follows:



Workshop held to discuss the Vision for the Future

Table 4.1.1 Summary of SWOT Analysis

| | |
|--|--|
| <p style="text-align: center;"><i>Strengths</i></p> <ul style="list-style-type: none"> - Availability of water and land resources - Warm climate in winter - Geographic location (international border and crossroads of corridors) - Relatively high stability in the political and social situation - Friendliness and hospitality of local people | <p style="text-align: center;"><i>Weaknesses</i></p> <ul style="list-style-type: none"> - Lack of social and economic infrastructures - Lack of social services - Weakness of governance and institutions - Lack of legal system and regulation control capacity - Situation of currently being under occupation |
| <p style="text-align: center;"><i>Opportunities</i></p> <ul style="list-style-type: none"> - Interest of international support - Potential of water and land resources - Potential to receive immigration - Collaboration of local communities | <p style="text-align: center;"><i>Threats</i></p> <ul style="list-style-type: none"> - Unstable political situation - Separation wall - Environmental degradation |

Source: JICA Study Team

The Jordan Rift Valley area has various characteristics and a uniqueness in terms of history, ethnicity, religion, climate and natural conditions as noted in Chapter 2. The people in the Jordan Rift Valley area well recognize the “natural condition and historical background” as a Strength of the region. The development potential of natural resources and relatively high capacity for receiving immigration are characterized as Opportunities of the region.

On the other hand, the Weaknesses of the region are identified to be a “lack of infrastructure and services.” Improvement in social services and strengthening the local administrative system are highly needed to solve the problems of the region. The situation under occupation by Israel is the most critical

issue, preventing various activities of the people in the region. At the same time, environmental degradation such as pollution of groundwater aquifers and land degradation have affected the people. They were identified as Threats to the region.

The results of the SWOT analysis may indicate the direction of regional development as follows:

- (i) Potential of productive sector development is to be maximized on the basis of natural and historical resources of the region, particularly in the agriculture and tourism sectors;
- (ii) Regional development in the Jordan Rift Valley area is to be integrated into the overall economic and social development of Palestine, particularly in the improvements in social services and human resource development;
- (iii) The environment in the region is to be protected to ensure sustainable regional development; and,
- (iv) Confidence building is to be promoted among the people within the region, in the West Bank, and then in Gaza, as well as with the neighboring countries.

Together with the policy of PNA, as indicated in the MTDP, the above direction can be diagrammed in the following manner.

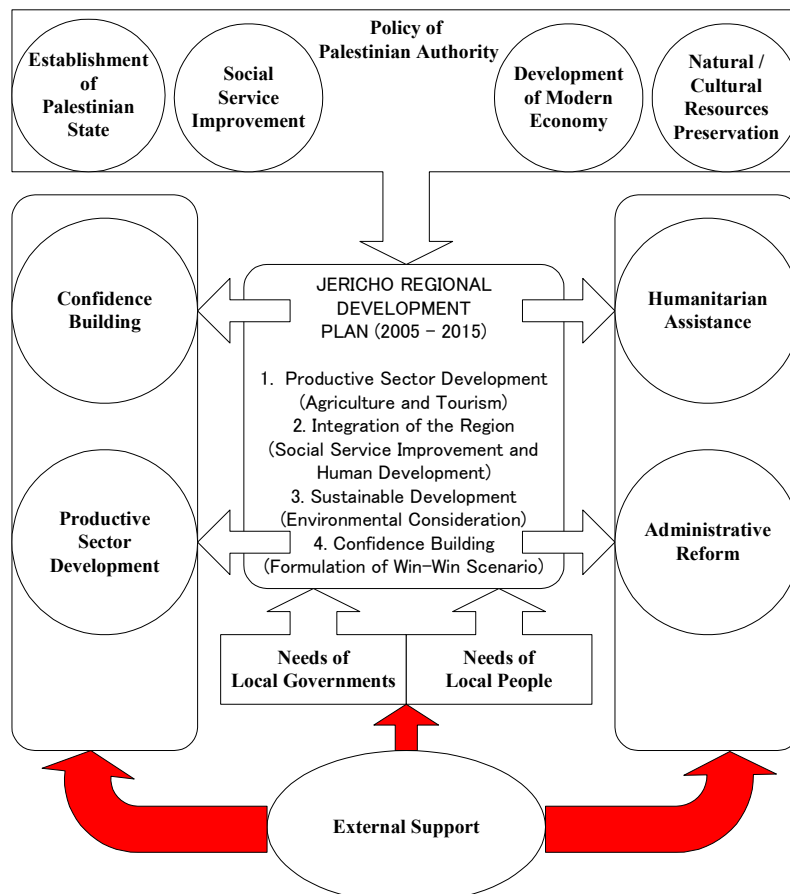


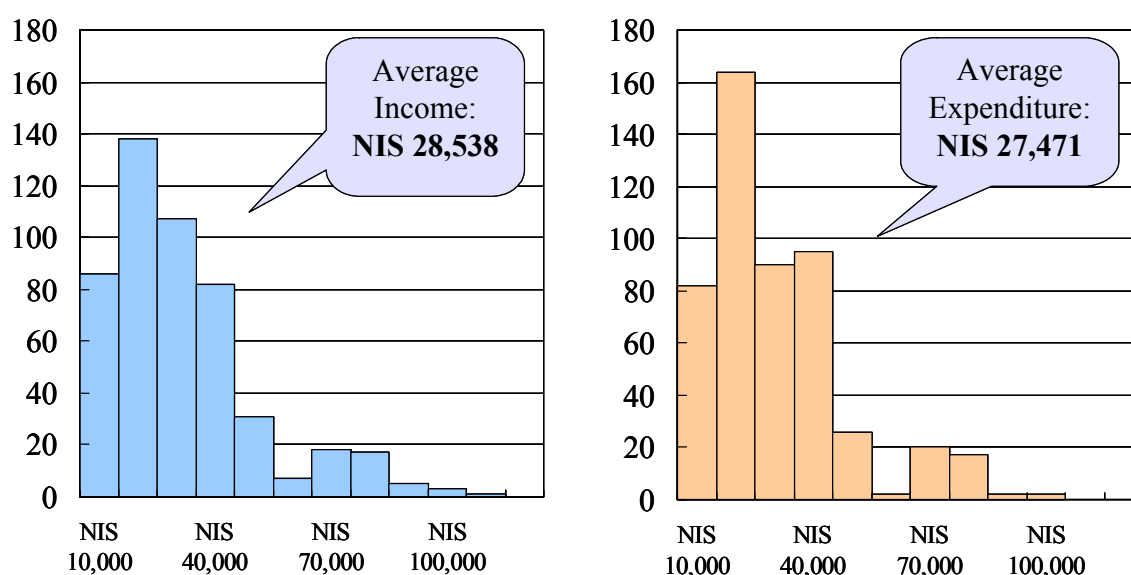
Figure 4.1.1 Direction of Regional Development

4.2 People’s Needs for Regional Development

The Study conducted a socioeconomic survey in the region, collecting 505 responses from five different areas.¹ The people’s needs for the regional development activities have been assessed through this questionnaire survey.

The average annual household income is estimated to be around NIS 28,000, equivalent to about US\$ 6,200 (average number of family members is 7.8). The income level appears to be high in the light of the difficult political and security conditions in the West Bank. In addition, it is observed that more than 90% of the surveyed families own a TV, washing machine, and refrigerator. Electricity supply services are provided to 97% of households, and the basic electrical goods for living are generally present. For transportation and communication, 25% of households own a family car, and more than 70% of the families own mobile phone equipment.

The annual household expenditure, on the other hand, is estimated to be NIS 27,000 (about US\$ 6,000), which is nearly the same as their annual income. The price levels in the West Bank are highly affected by the Israeli economy, and the expenditures are high compared with their income level.



Note: US\$ 1 = NIS 4.5

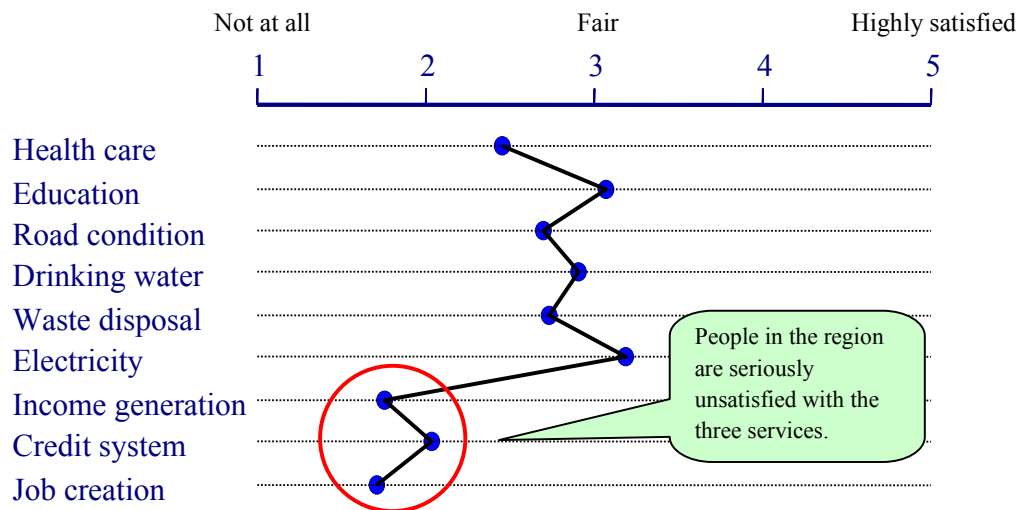
Source: Socioeconomic Survey, JICA Study Team (See Appendix)

Figure 4.2.1 Household Income and Expenditure in Jordan Rift Valley Area

Based on the above figure, it is assumed that those families with income less than NIS 20,000 (about US\$ 4,440) would spend more than 100% of their income. Such a level would be the minimum income requirement for living in the Jordan Rift Valley area.

¹ The socioeconomic survey was conducted in November 2005 in cooperation with Dr. Nadel Said (Human and Social Development Expert). The survey targeted 505 samples in five areas, namely, Jericho, Al ‘Auja, Tubas, areas surrounding Tubas, and Jordan Valley villages of Nablus (See Appendix).

The following figure illustrates the degree of satisfaction by the people for the respective social service.



Source: Socioeconomic Survey, JICA Study Team (See Appendix)

Figure 4.2.2 Degree of Satisfaction in Social Services in the Region

It is found that major social services such as health care, education, roads, water supply, waste disposal and electricity are more or less tolerable for the people though they have various difficulties in getting such services. More notable is the fact that the people in the region are quite unsatisfied with the public support in income generation, the credit system and job creation. It is reported that the current unemployment rate is as high as 23.8% (2003), which increased drastically after the Second Intifada in 2000 (9.5% before the Second Intifada). It is therefore required that the regional development plan would specifically focus on income generation and creation of job opportunities in the Jordan Rift Valley area.

4.3 Objectives of Jericho Regional Development

With the development direction and specific focuses as discussed above, as well as in the light of the discussions with stakeholders on the vision for the future, the Jericho Regional Development Plan will be formulated with the following objectives.

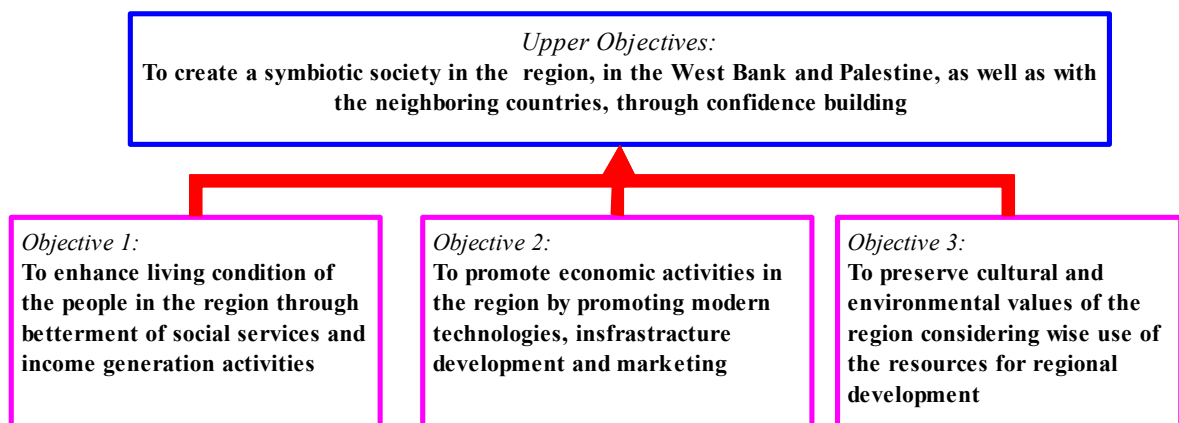


Figure 4.3.1 Objectives of Jericho Regional Development

The first objective, “To enhance the living condition of the people in the region through betterment of social services and income generation activities,” is set, paying due attention to the needs of the people in the region. The unsatisfactory level of social services would be due to the weak government capability as well as un-organized community activities. The dual approaches toward strengthening government service capacity and participatory community development would be essential to meet the first objective.

The second objective, “To promote economic activities in the region by promoting modern technologies, infrastructure development and marketing,” is focusing on the agriculture sector, which is the major economic activity in the region, making utmost use of the natural advantages of the Jordan Rift Valley. With the natural advantages, processing and marketing of agricultural products should be enhanced for better economic performance by applying modern technologies and infrastructure development. Creation of job opportunities in the region would be highly expected in the agriculture sector.

The third objective, “To preserve cultural and environmental values of the region considering wise use of the resources for regional development,” is to attain sustainable development, preserving cultural and environmental resources. The tourism sector is still primitive in the region, but it has a great potential for future development. At the same time, improvement in the environmental condition and urban amenities would be essential to make use of the high development potential in the tourism sector.

In addition to the three development objectives set for sustainable social and economic development in the Jordan Rift Valley area, it is proposed to establish as the supreme objective **“to create a symbiotic society in the region.”** Such a symbiotic or convivial society could be created through mutual understanding, mutual confidence and mutual trust among the people in the region and the public/private entities in Palestine, as well as among the neighboring countries, regardless of their ethnicities, ideologies, religions, and politics. Since the Jordan Rift Valley area is capable of leading the activities towards the creation of a symbiotic society, every stakeholder should bear in mind to create and promote such a symbiotic society through planning and implementation of the Jericho Regional Development Plan. It is believed that the supreme objective will no doubt contribute to peace building in the West Bank and Gaza.