



**SCP Assessment** 

# ASSESSMENT REPORT ON SUSTAINABLE CONSUMPTION AND PRODUCTION POLICIES

**IN PALESTINE | 2015** 











SwitchMed Programme is implemented by the United Nations Industrial Development Organisation (UNIDO) and the United Nations Environment Programme (UNEP), through the Mediterranean Action Plan (MAP) and its Regional Activity Centre for Sustainable Consumption and Production (SCP/RAC) and the Division of Technology, Industry and Economics (DTIE). For details on the SwitchMed Programme please contact **btuncer@scprac.org** 









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# **FOREWORD**

In spite of the difficulties and obstacles that Palestine encounters being a state under occupation, which resulted in lack of control on the natural resources including land, water, borders, and crossings, Palestine still aims at the protection of environment, and attempts to be in line with other countries for the purpose of providing a safe and healthy environment for the Palestinian citizens in accordance with the law. Palestine also works using all means and available instruments to achieve the sustainable development that shall guarantee the rights of the current and future generations, both alike. This matter is guaranteed by the Basic Law and Environment Law No. (7) for the year 1999, and its amendments.

Sustainable Consumption and Production (SCP) is being traded and dealt with since several years on the global level, not to mention that there are countries which have progressed a long way in this subject. However, it is still relatively recent in Palestine, and we have only recently started attempts to understand, adopt, and benefit from the concept of SCP as much as possible.

The present SCP assessment for Palestine is deemed to be the beginning of the work in Palestine in the field of Sustainable Consumption and Production. It handles the status of the concept in terms of the national policies as well as the initiatives and enterprises implemented to serve this concept. The study has diagnosed SCP challenges and opportunities, including its positive and negative aspects, and has ranked according to priority the sectors which can be invested in, and where this concept could be implemented in a way that shall guarantee the success.

It is worth mentioning that during the Earth Summit in 2002, in Johannesburg, the international community called upon the development of a 10 year framework for Sustainable Consumption and Production. During the Rio+20 conference, in 2012, it was agreed to strongly support this decision by strengthening the adoption of Sustainable Consumption and Production, recognized as a tool and instrument of Sustainable Development. Within the same context, the Arab strategy of Sustainable Consumption and Production which was issued in 2009 has focused on adopting and supporting the services and products that are aimed at protecting the environment, maintaining the resources of water and energy, and alleviating poverty.

In Palestine, and according to this analytical study, we have several bright aspects which we can build on and maximize, in addition to many initiatives in terms of legislations and policies, and of practical implementation. This study will be the basis on which Palestine, in collaboration with the United Nations Environment Program (UNEP) under the EU-funded Switch-Med project will develop a Sustainable Consumption and Production National Action Plan (SCP-NAP).

### **Adalah Attireh**

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# **About SwitchMed**

The EU funded SwitchMed project is implemented jointly by the project countries (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine and Tunisia) and the institutional partners UNEP, UNIDO and SCP-RAC. SwitchMed is divided into 3 components addressing different parts of the transition process to Sustainable Consumption and Production (SCP) - SDG12:

- (i) A policy component, built around the Barcelona convention (for the Protection of the Mediterranean Sea and Coastal Regions) and SCP national action plans;
- (ii) Demonstration activities linked both to the policy component and the private sector;
- (iii) Networking function to allow for exchange, joint learning and further scaling up;

UNEP-DTIE is coordinating the national policy component – Reinforcing circular economy in the Mediterranean governance framework and mainstreaming SCP in national policies. Under the national policy component the project countries will develop Sustainable Consumption and Production National Action Plans (SCP-NAP).

The implementation methodology used under the SwitchMed national policy component has been adapted to each countries' specific needs and requests. To assure coherence between ongoing and previous national work, the activities at country level build on already existing work and projects (Green Economy, SCP assessments, sustainable development assessment and strategies, SCP projects, etc). In this process UNEP works with national consultants in the project countries to allow a transfer of knowledge and reinforcement of national capacity. The SCP-NAP methodology assures that a large and diverse group of national stakeholders are involved in the national process (government, civil society, private sector, media, academia, bi- and multilateral partners, UNCTs, etc). Furthermore collaborations with UN institutions and other bi-lateral partners have been established at country level.

### Main objectives:

- Leapfrogging to socially inclusive Sustainable Consumption and Production practices preserving the environment;
- Integrating the natural capital and the environment in the core business of Mediterranean companies
- Creating a critical mass of citizens for SCP;

# The successful development of eight SCP-NAPs demonstrates that:

- (i) in-country activities have to be nationally owned and nationally driven to be successful;
- (ii) the involvement of a large and diverse group of national stakeholders from the beginning of the planning process is crucial;
- (iii) linkages and synergies have to be established with already existing projects and initiatives and collaboration with other partners should be encouraged and fostered.

Each country has chosen to follow its own path to develop an SCP-NAP and this series of publications clearly shows the diversity of processes as well as outputs. In some countries the SCP-NAPs are based on SCP national assessments, while in other national partners decided to build upon already existing national SCP information and knowledge.

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### **Acronyms and Abbreviations**

AMCEN African Ministerial Council on the Environment

AQAC Accreditation and Quality Assurance Commission

ARIJ Applied Research Institute of Jerusalem

PCBS Palestine Central Bureau of Statistics

BoP Bank of Palestine

PTB Palestine Tourism Board

CAMRE The Council of Arab Ministers Responsible for Environment

CBD Convention on Biological Biodiversity

CMWU Coastal Municipal Water Utility

CPI Consumer Price Index

CSD Committee for Sustainable Development

CSR Corporate Social Responsibility

DTIE Department of Technology, Industry and Economics

EQA Environment Quality Authority

ENPI European Neighborhood and Partnership Instrument

ESCWA Economic and Social Commission of west Asia

E2WTP Education to Work Transition Project

GDI Gross Domestic Income per capita

GDP Gross domestic product

GE Green Economy

GEDCO Gaza Electricity Distribution Company

GHG Green House Gases

GPP Green Public Procurement

GS Gaza Strip

HDI Human Development Index

HEPCO Hebron Electric Power Company

LAS League of Arab States

MCA Multi-Criteria Analysis

MDGs Millennium Development Goals

MNE Ministry of National Economy

MOEHE Ministry of Education and Higher Education

MoF Ministry of Finance

MoLG Ministry of Local Government

MoPWH Ministry of Public Works and Housing
MoTA Ministry of Tourism and Antiquities

MTIT Ministry of Telecommunication and Information Technology

MW Mega Watt

NBSAPP National Biodiversity Strategy and Action Plan for Palestine

NEDCO Northern Electric Distribution Company

NGO Non-Governmental Organization

NPA National Policy Agenda

ICARDA International Center for Agriculture Research in Dry Areas

IPPM Integrated Production & Protection Management
ISO International Organization for Standardization
IUCN International Union for the Conservation of Nature

JCEDAR Joint Committee on Environment and Development in the Arab Region

JDECO Jerusalem District Electricity Company

PALTEL Palestinian Telecommunication

PARC Palestinian Agriculture Relief committees (New name: Palestinian Agriculture

**Development Organization**)

PEC Palestinian Electricity Company

PEERC The Palestinian Energy & Environment Research Center

PENGON Palestinian Environmental NGOs Network

PENRA Palestinian Energy and Natural Resources Authority

PERC Palestinian Electricity Regulatory Council

PFI Palestinian Federation of Industries

PHG Palestinian Hydrology Group

PNGO Palestinian Network for Non Governmental Organizations
PIEFTZA Palestinian Industrial Estates and Free Trade Zone Authority

PRDP Palestinian Reform and Development Plan

PSI Palestinian Standard Institute

PV Photovoltaic electricity

PWA Palestinian Water Authority
QIF Quality Improvement Fund

ROWA Regional Office for West Asia

SCP Sustainable Consumption and Production

SDIAR Sustainable Development Initiative in the Arab Region

SDS Sustainable Development Strategy

SEA Strategic Environmental Assessment

SHAM Palestinian Network of Agricultural Work Organizations

SPP Sustainable Public Procurement

SW Solid Waste

SWM Solid Waste Management

TIES The International Ecotourism Society

TOR Terms of Reference

TVET Technical and Vocational Education and Training

UAE United Arab Emirates

UNCITRAL United Nation Commission on International Trade Law
UNCSD United Nations Commission for Sustainable Development

UNDP United Nations Development Programme

UNDESA United Nation Department of Economic and Social Affairs

UNEP United Nations Environment Programme

UNEP/ROWA UNEP regional office for west Asia

UNIDO United Nations Industrial Development Organization

UNRWA United Nations Relief and Working Agency

USD United States Dollar

UXOs Unexploded Ordinances

WSRC Water Sector Regulatory Council

10YFP 10 Year Framework Programme

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#### 1. Introduction

### 1.1 Project structure and objectives

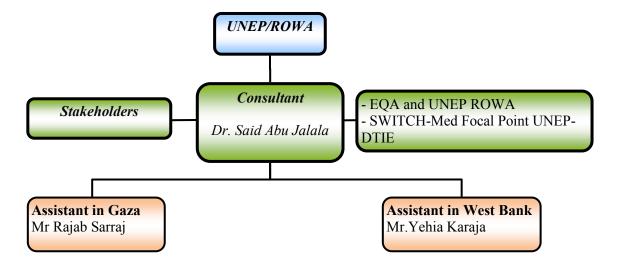
### Project objective:

Support for development of an assessment Report on Sustainable Consumption and Production (SCP) Policy in Palestine<sup>1</sup> and identify SCP priority action areas in Palestine.

### Project structure:

Figure 1.1 (below) demonstrates the proposed structure for the project. The consultant<sup>2</sup> will be assisted by two experts in both Gaza and West Bank to organize a number of sectoral meetings to collect the necessary institutional and market information as well as facilitating stakeholder consultation workshop to present key findings from draft assessment and draft national action plan and seek feedback from key stakeholders. The Consultants team has a wide experience in Palestine and is familiar with the required tasks of the assignment.

The project management structure and strategy has been designed to be responsive and proactive to properly fulfill the UNEP/ROWA needs in terms of keeping the client abreast of the progress, and with regards to completing the assignment in a timely, technically efficient and cost-effective manner. The Consultant worked closely with UNEP/ROWA and reported to Mr. Fareed Bushehri at UNEP/ROWA and SWITCH-Med Focal Point in UNEP-DTIE.



**Figure 1.1: Project Structure** 

<sup>&</sup>lt;sup>1</sup>Palestine consists of West Bank including East Jerusalem and Gaza Strip.

<sup>&</sup>lt;sup>2</sup> The SCP Assessment was authored by Dr. Said. Abu Jalala on behalf of UNEP and EQA.

# 1.2 Methodology

### General approach

- The consultant accomplished the project objective in accordance in timely manner, within the allocated budget and according to the requirement in the terms of reference.
- The consultant conducted orientation sessions with representatives from the EQA (Dr. Khaled Qahman and Mr. Tayseer Mushtaha) at the beginning of projects with regards to approach and methodology.
- The consultant mainstreamed effective participatory/interactive approaches, human rights and gender equality; and entrenched results-based management, learning and quality cultures in the scope of work.
- The consultant used dynamic learning-oriented approach for the assessment on SCP study Palestine based on effective participation of stakeholders to ensure their ownership for the assessment report. The approach was flexible and combined primary (61 field interviews in West Bank and Gaza Strip and a stakeholder consultation workshop in Ramallah) and secondary (document review) sources of information. The study triangulated the results. Triangulation refers to the use of different information sources, methods, types of data in order to reach more reliable findings. Cross-checking, triangulation and validation of SCP study results with stakeholders were utilized to reach objective and evidence-based information.

# Methodology

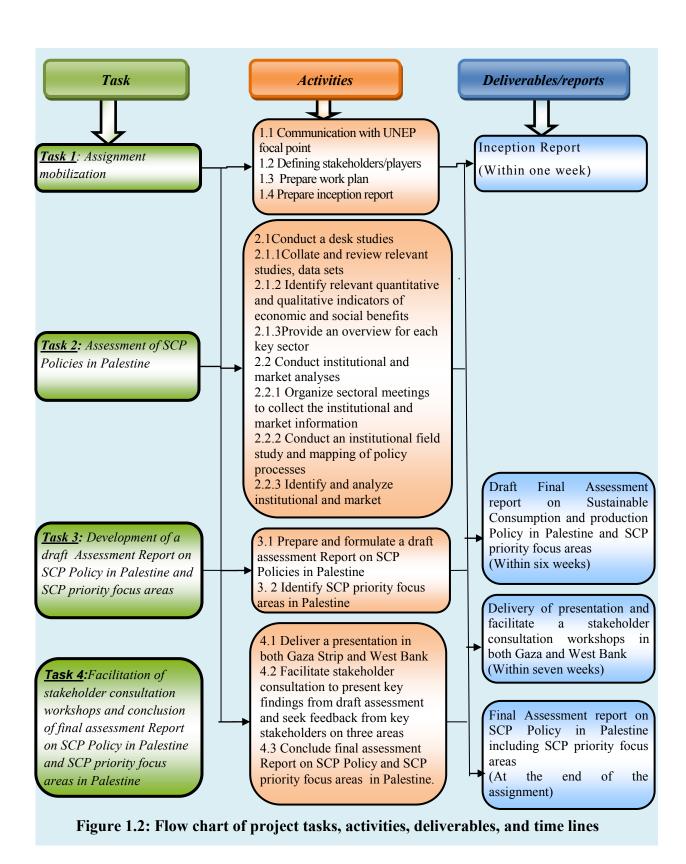
The project was implemented through a step-by-step procedure sensitive to effective participation of stakeholders and gender equality principles.

Different activities were carried out and various methods were utilized to collect and analyze the quantitative and qualitative data/information under this assignment. Figure 1.2 explains project tasks, activities, sub-activities, deliverables and timelines:

### Task 1: Assignment mobilization

- 1.1 Communication with UNEP focal point, Mr. Henrik Jakobsen
- 1.2 Identify stakeholders
- 1.3 Prepare work plan for the assignment
- 1.4 Prepare inception report including assignment objective, approach and methodology, work plan, timeline, stakeholders and deliverables.
- Task 2: Assessment of Sustainable Consumption and Production Policies in Palestine
- 2.1 Conduct a desk studies
- 2.1.1 Collate and review relevant studies, data sets and ongoing activities in the identified sectors with reference to the table of content

- 2.1.2 Identify relevant quantitative and qualitative indicators of economic and social benefits with reference to the table of content.
- 2.1.3 Provide an overview for each key sector with reference to the table of content.
- 2.2 Conduct institutional and market analyses
- 2.2.1 Organize a number of sectoral meetings to collect the necessary institutional and market information.
- 2.2.2 Conduct an institutional field study and mapping of policy processes and initiatives, roles and responsibilities with reference to the table of content.
- 2.2.3 Identify and analyze institutional and market incentives, opportunities and blockages with reference to the table of content.
- Task 3: Development of a draft Assessment Report on SCP Policy in Palestine and identify SCP priority focus areas in Palestine
- 3.1Prepare and formulate a draft assessment Report on Sustainable Consumption and Production Policies in Palestine with indications of priority areas from SCP implementation
- 3.2 Identify SCP priority focus areas in Palestine in a multi-stakeholder and inclusive process.
- Task 4: Facilitation of a stakeholder consultation workshop and conclusion of final assessment Report on SCP Policy in Palestine and identify SCP priority focus areas in Palestine
- 4.1: Deliver a presentation in West Bank (focused on national experiences of SCP promotion) in stakeholder consultation
- 4.2: Facilitate stakeholder consultation to present key findings from draft assessment and seek feedback from key stakeholders on three major areas including: (1) Strengths, weaknesses, opportunities and opportunities (SWOT) for SCP and sustainable development; (2) Multicriteria analysis to rank focus areas for SCP; and (3) hotspots, gaps in current policy and instruments, and major stakeholders and their roles for priority focus areas for a potential SCP action plan to promote 10YFP sub-programmes.
- 4.3: Conclude final assessment Report on SCP Policy in Palestine and SCP priority focus areas including the comments and feedback from key stakeholders during consultation workshops.



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# 1.3 What is SCP and why is it important?

The Oslo Symposium in 1994 proposed a working definition of sustainable consumption and production (SCP) as "the use of services and related products, which respond to basic needs and bring a better quality of life while minimizing the use of natural resources and toxic materials as well as the emissions of waste and pollutants over the lifecycle of the service or product so as not to jeopardize the needs of further generations". This has become the widely accepted definition of sustainable consumption and production.

SCP is a holistic approach to minimizing the negative environmental impacts from consumption and production systems while promoting quality of life for all. Through a life-cycle perspective, SCP increases the sustainable and efficient management of resources in all stages of the supply-chain of goods and services. SCP encourages the development of processes that use less material and less hazardous substances, and generate less waste, yielding environmental benefits. Such processes can also improve the competitiveness of enterprises by reducing production costs, thus turning environmental and social challenges into business and employment opportunities. SCP also works to encourage the capture and reuse or recycling of valuable resources within waste streams<sup>4</sup>

The fundamental objective of SCP is to decouple economic growth from environmental degradation. Achieving SCP patterns will sustain improvements in economic development and human welfare that we depend on, including improvements in health and education. In other words, SCP aims at doing more and better with less – across the entire life cycle of products, while increasing quality of life for all. "More" delivered in terms of goods and services, with less impact in terms of resource use, environmental degradation, waste and pollution<sup>5</sup>

# 1.4 Global context on Sustainable Development and Sustainable Consumption and Production

The World Summit on Sustainable Development in 2002 called for the development of a10–Year Framework of Programmes (10-YFP) to accelerate the shift towards sustainable consumption and production (SCP) and to promote social and economic development with in the carrying capacity of the ecosystems. This led to the launching of a global process on the development of a framework programme, which is also known as the Marrakech Process. The Marrakech Process was a forum for dialogue and cooperation on SCP among governments and relevant stakeholders at international and regional levels. The Marrakech Process main objectives were: 1) the implementation of projects and strategies on SCP and 2) the elaboration of a "10-Year Framework of Programmes on SCP" (10YFP). In order to accomplish its core mission of accelerating the shift towards SCP patterns and elaborating a global framework for action on SCP, Marrakech Task Forces (MTFs) were established – building upon North-South

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<sup>&</sup>lt;sup>3</sup>Norwegian Ministry of Environment, Oslo Symposium on Sustainable Consumption, 1994. this has become the widely accepted definition of sustainable consumption and production.

<sup>&</sup>lt;sup>4</sup>United Nations Environment Programme, 2011. Paving the Way for Sustainable Consumption and Production. The Marrakesh Process, Progress Report. Towards a 10 Year Framework of Programmes on Sustainable Consumption and Production

<sup>&</sup>lt;sup>5</sup>United Nations Environment Programme, 2012. Global outlook on Sustainable Consumption and Production Policies. Taking action Together.

cooperation, developing SCP tools, and supporting the implementation of concrete demonstration projects to accelerate the shift towards SCP.



Figure 1.3: Marrakech Task Forces (Source UNEP, 2013)

The importance of SCP was subsequently reaffirmed at the United Nations Conference on Sustainable Development (Rio+20) in which it was stated that promoting sustainable patterns of consumption and production is one of the three overarching objectives of, and essential requirements for sustainable development. It also reiterated that fundamental changes in the way societies consume and produce are indispensable for achieving global sustainable development.

Furthermore at Rio+20, Heads of State strengthened their commitment to accelerate the shift towards SCP patterns with the adoption of the 10-

Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP), in paragraph 226 of the Outcome Document" The Future we Want".

The 10YFP is a concrete and operational outcome of Rio+20. It responds to the 2002 Johannesburg Plan of Implementation, and builds on the eight years work and experience of the Marrakech Process – a bottom-up multi-stakeholder process, launched in 2003 with strong and active involvement from all regions.

It identified global and regional SCP needs and priorities, and supported the development of regional SCP strategies and implementation of 33 demonstration projects worldwide. The

10YFP will also build on the work of national cleaner production centres and other SCP best practices engaging a wide range of SCP stakeholders.

Besides the 10YFP Some key global initiatives on SCP include the Joint UNEP/UNIDO Resource Efficient and Cleaner Production Programme; Life-cycle assessment standards; SWITCH Asia, funded by the European Commission; OECD Environment Directorate project on the impacts of household consumption on the environment; Regional and sub-regional SCP strategies; and Green Growth initiative - UN ESCAP and Republic of Korea.

# 1.5 Regional context on Sustainable Development and Sustainable Consumption and Production

SCP programmes have been developed in most regions of the world reflecting a high level of interest in and commitment to SCP in both developed and developing countries. About 22 regional meetings/roundtables world-wide were organized in the context of the Marrakech Process, hosted by national governments in cooperation with UNEP, UNDESA, and other key partners and donors. As a result, programmes were elaborated by regional experts and endorsed by regional institutions and governments. The first regional SCP strategies were developed in Africa and Latin America, highlighting the growing recognition that SCP contributes to poverty eradication, by creating new markets and green jobs based on more resource-efficient, cleaner and competitive production practices (e.g. sustainable public procurement, eco-labelling mechanism for African products, integrated waste management). Main outcomes are:

- The African 10-Year Framework of Programmes on SCP, launched in May, 2006, with the support of the African Union, the African Ministerial Conference on Environment, the New Partnership for Africa's Development, the UN Economic Commission for Africa (UNECA), UNEP and UNDESA, and endorsed at the UNECA Regional Implementation Meeting in October, 2009.
- The Latin American and Caribbean Regional SCP Strategy developed in 2003 and endorsed by the Forum of Environmental Ministers of Latin America and the Caribbean the same year.
- The Arab Regional Strategy on SCP launched by JCEDAR<sup>6</sup> in September, 2009. It was supported by LAS, the United Nations Economic and Social Commission for Western Asia and UNEP, and was approved at the Council of Arab Ministers Responsible for the Environment (CAMRE) in November, 2009. Four Roundtable Meetings on SCP in the Arab Region were held. The vision of the Arab 10-YFP SCP aims to promote the concept of sustainable consumption and production in the Arab region through encouraging the utilization of products and services that ensure environmental protection, conserve water and energy as well as other natural resources, while contributing to poverty eradication and sustainable lifestyles. The Arab region SCP priority action areas are energy, water, waste,

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<sup>&</sup>lt;sup>6</sup>Joint Committee on Environment and Development in the Arab Region, 2012. Arab Regional Strategy for Sustainable Consumption and Production, Final draft

rural development and poverty eradication, education and sustainable lifestyles and tourism. The rationale for SCP in the Arab Region has been rapidly expanding populations, rural-urban migration, inefficient public transportation, widespread subsidies, rising demand for energy, water scarcity, increased waste generation, rapid industrialization, growing rate of hazardous wastes, inadequate waste management, life style changes, rapid socio-economic development, significant health and environmental problems.

- The Arab Ministerial Declaration on Sustainable Development (2002)
- Islamic declaration on Sustainable Development (2002)
- Joint Ministerial Declaration on Sustainable Development by African Ministerial Council on the Environment (AMCEN) and CAMRE (2002).
- The Sustainable Development Initiative in the Arab Region- SDIAR (2002) which is considered as a strategic framework for the implementation of programs and activities using the available resources in the Arab countries. This initiative covers peace and security, institutional framework, poverty alleviation, population and health, education, awareness, scientific research, technology transfer, resources management, production and consumption, globalization, trade, and investment. The initiative aims at addressing the challenges faced by the Arab Countries to achieve sustainable development. It asserts the commitment of the Arab countries to implement Agenda 21 and the development objectives included in the Millennium Declaration and the outcome of the World Summit on Sustainable Development, taking into consideration the principle of common but differentiated responsibility. The initiative seeks to enhance the participation of the Arab countries with the aim of strengthening their efforts in realizing sustainable development, particularly in the light of globalization and its impacts, as well as finding a mechanism for financing the programs for environmental protection and sustainable development.
- Jeddah Commitments for Sustainable Development (Second Islamic Conference of Environment Ministers), 2006.
- General Framework for Sustainable Development in the Islamic World (Third Islamic Conference of Environment Ministers), 2008.
- Arab statements to policy sessions of the UN Commission on Sustainable Development (1993-2011).
- The Mediterranean SCP Action Plan aiming at establishing a range of actions and objectives common to the Mediterranean countries to shift to SCP and formulating a Roadmap. The action plan focused on four production and consumption priority areas including food and agriculture, goods manufacturing, tourism and housing and construction.

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<sup>&</sup>lt;sup>7</sup>League Of Arab States (CAMRE), 2011. The Sustainable Development Initiative in the Arab Region. Third Progress Report.

Besides the Marrakech Process other strategies were also elaborated in other regions, contributing to the process:

- Green Growth Initiative in Asia and the Pacific, which includes SCP as a major component.
- The European Commission's Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan, endorsed by the Council of the European Union in December, 2008.

The EC funded a multi-component SWITCH-Med programme to assist the 9 ENPI South target countries of the southern Mediterranean (Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, and Tunisia) to develop and implement policies to SWITCH to sustainable pattern of consumption and production promoting SCP among consumers, small and medium-sized enterprises and Mediterranean policy makers. The multi-component programme consists of: (i) the regional and national policy component (launching 2012), (ii) a demonstration activity; and (iii) a networking component (launched in 2013).

The current project of SWITCH Med policy component focuses on the regional activities as well as direct country level assistance in the design and implementation of SCP action plans in all 9 participating countries. The other two components of SWITCH-Med to be launched in the near future include (i) demonstration activities to scale up the UNIDO MED TEST methodology; to promote green entrepreneurship and empower civil society as key SCP drivers; and to implement priorities identified by legally binding measures under the Protocols of the Barcelona Convention and by the SCP NAPs; and (ii) a networking function to allow for exchange, lessons learnt and further scaling up of SCP activities in the region.

# 1.6 National context on Sustainable Development and Sustainable Consumption and Production

Palestine has several achievements in the environmental management and sustainable development fields such as the acknowledgement of a well balanced and clean environment and protection of public health in the Palestinian Basic Law, the Palestinian Environmental Law No. (7) of 1999 and the Palestinian Standard Law No. 6 of 2000. The principle of sustainability has been introduced in these laws by emphasizing that the preservation and protection of the Palestinian environment from pollution is a national responsibility for the sake of present and future generations.

Palestine is committed to promote and enhance sustainable consumption and production patterns – i.e. decoupling economic progress from resource use, decreasing resource intensity and avoiding negative impact on the environment. In this regard, Palestine participated in the World Summit on Sustainable Development (Rio+10) in 2002 that called for the development of a 10–Year Framework of Programmes (10-YFP) to accelerate the shift towards SCP to fulfill the increased demand for goods and services while minimizing the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle. Palestine participated also in (Rio+20) and submitted the national report on "Achievements and Challenges of Sustainable

Development under Israeli Occupation" focusing on green economy as a tool to achieve sustainable development and poverty eradication. Additionally, Palestine prepared the framework on sustainable development, the national reports on the progress to achieve the sustainable development according to Arab Initiative for Sustainable Development, and the national reports on sustainable development which being prepared in coordination with PCBS.

Palestine modestly applies and uses various aspects of green economy such as renewable energy, integrated water resources management, green loans, green jobs, green buildings, solid waste recycling, reuse of treated wastewater, and green agriculture.

Palestine was actively represented in the four Roundtable Meetings on SCP in the Arab Region. Palestine is invited by United Nations Industrial Development Organization (UNIDO) to submit a proposal by November 25, 2014 to apply the Sub-component 1 "Transfer of Environmentally Sound Technology in South Mediterranean Region" of the Demonstration Component of the SWITCH-Med Initiative in Palestine.

The rationale for SCP in Palestine has been rapidly growing population, expanding urbanization; rapid industrialization; shortage of water due to Israeli control of water resources; growing generation of solid waste, wastewater and hazardous waste; threatened biodiversity; desertification and soil contamination; climate change; air pollution; deteriorated coastal zone and maritime environment; inefficient public transportation, rising demand for energy; life style changes, significant public health and environmental health problems.

The Palestinian efforts towards Sustainable Development have been faced by various challenges and obstacles caused mainly by Israeli Occupation colonizing activities. The expansion of illegal Israeli colonies and establishing military zones have been associated by-pass roads, land confiscation, leveling of agriculture land, uprooting trees, destroying nature reserves and biodiversity, and undermining ecotourism. It has caused also cutting off Palestinian localities from one other and restricting these localities from expansion and development. Through military orders, the Israeli occupation has established control over Palestinian natural resources and has denied us access to it.

The Israeli occupation is not only in control over land resources, but has purposely fragmented the West Bank by deploying a matrix of more than 500 checkpoints, building the annexation and separation wall, controlling Area C and East Jerusalem (64% of West Bank Area). Thus the mobility of the Palestinians in West Bank and east Jerusalem is controlled and development is sabotaged. The Israeli Occupation has also imposed a total closure on the Gaza Strip and isolated it from the outside world with severe restrictions imposed on the movement of individuals and the flow of goods for the eighth consecutive year. Humanitarian conditions have drastically deteriorated in the coastal enclave, with frequent Israeli offensives and invasions causing killing and injuring of Palestinian civilians. Israeli Occupation naval forces also continued to target Palestinian fishermen in the Gaza waters. In addition, Palestinian farmers were not allowed to access and farm their agriculture land in what so called "buffer zone" along Gaza borders. Population of Gaza is currently facing shortage of food and water supply, permanent cut-off of electricity, inadequate health services, and inadequate environmental services such as sewage and solid waste collection and disposal. The Israeli occupation has also

been working continuously and systematically on destroying public and private properties and basic infrastructure in Palestine such as ports, roads and sewage and water networks. This has affected the environment and limited the ability of Palestine to provide needed services to its citizens.

There are also overarching institutional challenges to sustainable development including the of consistency between NDP and NPA sector classification with the three pillars of sustainable development, imposed conditional donor funding, diversion of development assistance towards emergency funding, un-unified legislations, inactive Legislative Council, inability to enforce laws in Palestine due to lack of sovereignty, "Parallel" structures in the West Bank and Gaza Strip, and human rights challenges.

### 2. Palestine in a nutshell

# 2.1 Demographic data

On the Eve of International Population Day Palestinian Central Bureau of Statistics- PCBS<sup>8</sup> stated that:

# The Estimated Population of Palestine at mid 2014 was about 4.55 Million

The estimated population of Palestine at mid 2014included 2.31 million males and 2.24 million females. The estimated population of West Bank was 2.79 million of which 1.42 million males and 1.37 million females. While the estimated population of Gaza Strip totaled 1.76 million of which 894 thousand males and 866 thousand females. The percentage of urban population at mid 2014 was 73.9%, while the percentages of population in rural and refugee camps areas were 16.7% and 9.4% respectively.

# Palestinian Population in Gaza Strip is Younger than the West Bank Population

The percentage of individuals aged (0-14) constituted 39.7% of the total population at mid 2014 of which 37.6% in the West Bank and 43.2% in Gaza Strip. The elderly population aged (65 years and over) constituted 2.9% of the total population of which 3.2% in the West Bank and 2.4% in Gaza Strip at mid 2014.

# High Population Density in Gaza Strip

Population density of Palestine is generally high at 756 persons/km<sup>2</sup>, particularly in Gaza Strip it is 4,822 persons/km<sup>2</sup> compared to a lower population density in the West Bank of 493

8 Palestinian Central Bureau of Statistics- PCBS (2014). The International Population Day, 11/7/2014

persons/km<sup>2</sup> at mid 2014. However, if we consider the Israeli control on area C and the Israeli settlements then the population density in west Bank would much higher than indicated.

### High Fertility Rates in Palestine

Fertility rates in Palestine are high at 4.4%, particularly in Gaza Strip it is 5.2% compared to 4% in the West Bank.

# Decline in Crude Birth and Death Rates

Population projections revealed that crude birth rate in Palestine is expected to drop from 32.3 births per one thousand of the population in 2014 to 29.0 births in 2020. On the other hand, the crude death rate is expected to decline from 3.7 deaths per 1000 of the population in 2014 to 3.4 deaths per 1000 in 2020 in Palestine.

# Decline in the Average Household Size

The Average Household Size has declined in Palestine during the period between (1997-2013) from 6.4 persons in 1997 to 5.2 in 2013. This average declined in the West Bank from 6.1 persons in 1997 to 4.9 in 2013, while it declined in Gaza Strip from 6.9 persons to 5.8 for the same period.

### One Household out of ten Households is headed by a Female

Data of 2013 showed that 10.1% of households were headed by females in Palestine as of 11.1% and 8.1% in the West Bank and Gaza Strip respectively. The size of female-headed households was relatively small, with an average size of 2.8 persons compared to 5.7 persons for male-headed households.

# 2.2 Macro-economic data

PCBS presented the macro-economic data in its press report of "Economic Forecasting For 2015" as follow:

### Gross Domestic Product (GDP)

GDP decreased in Palestine by - 0.4% from 7,477.0 million USD during 2013compared with 7,449.0 million USD in 2014. The decrease in 2014 was concentrated in the major economic activities that are the biggest contributors to GDP: the agriculture activity, construction activity, services and other items activity and industrial activity. Preliminary estimates showed that the highest decrease was in construction, which decreased of around -29.7% despite an increase of around 3% in the number of employed persons in this activity. The agricultural activity decreased by more than -9.6% during 2014 compared with 2013 and the number of employed persons in this activity decreased of around 5%.

<sup>&</sup>lt;sup>9</sup>Palestinian Central Bureau of Statistics (PCBS), 2014. Press Report Of Economic Forecasting For 2015.

The services and other items activity in Palestine contributed the most to GDP compared to other activities in comparison with other activities, but preliminary estimates indicated an increase in the value added of around +4.7%, although the number of employed persons remained stable.

The industrial activity is one of the most important economic activities which contribute in GDP and preliminary estimates recorded a decrease of around -6.9% during 2014 compared with 2013, although the number of employed persons in this activity remained stable.

### GDP per capita

GDP per capita has decreased by -3.3% from 1,793.3 USD in 2013 to 1,734.6 USD in 2014.

# <u>Unemployment rates</u>

The gross of employed persons in Palestinian local labor market was stable during 2014 compared with 2013 despite natural population growth. This indicates the weak absorptive capacity of the local labor market. The percentage of Palestinian employees working in Israel remained stable at around 10%.

There was a rise in unemployment rate during 2014 to reach about 27% from about 24% in 2013, which resulted in the rescission in employment rates and absorption of new employees in the labor market and Israel.

### Poverty rates

The relative poverty line and the deep poverty line according to consumption patterns (for reference household consisted of 2 adults and 3 children) in Palestine during 2011 were 637 USD, and 509 USD respectively. Table 2.1 and Figure 2.1 (below) explain that the poverty rate among Palestinian individuals was 25.8%, 17.8% in the West Bank, and 38.8% in Gaza Strip. Data revealed that 12.9% of the individuals in Palestine were suffering from deep poverty in 2011 according to consumption patterns, 7.8% in the West Bank, and 21.1% in Gaza Strip.

Table 2.1: Individual poverty rates according to household consumption in Palestine by								
region, 2011 (Source PCBS, 2014)								
Region	Region Poverty Poverty Gap Poverty Severity Deep Poverty							
Palestine 25.8		6.0	2.1	12.9				
West Bank	17.8	3.9	3.9					
Gaza Strip 38.8 9.3 3.2 21.1								

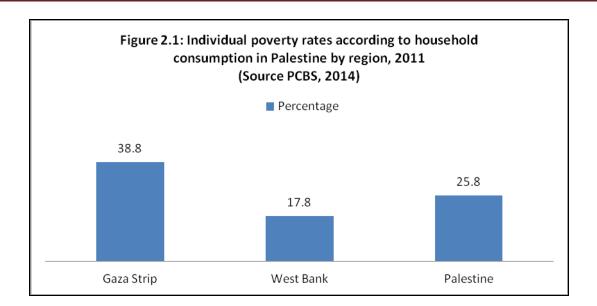


Table 2.2 presents that the poverty rate in Palestine, urban, rural and Refugee Camp localities during 2011 are 25.8%, 26.1%, 19.4% and 35.4% respectively while deep poverty in urban and rural areas are 12.9% and 13.7% respectively.

Table 2.2: Poverty rates according to household consumption in Palestine by type of locality, 2011 (Source PCBS, 2014)								
Type of Locality Poverty Poverty Gap Poverty Severity Deep Poverty								
Palestine 25.8		6.0	2.1	12.9				
Urban	26.1	6.3	2.2	13.7				
Rural	19.4	3.8	1.3	7.4				
Refugee Camp	35.4	7.4	2.5	16.2				

# Gross of exports and imports

Palestinian foreign trade movements, represented in exports and imports, indicated that the value of exports decrease by 1% compared with 2013 and the value of imports increased by more than 2% compared with 2013.

# Price and price index

The average of overall Consumer Price Index (CPI) in Palestine increased by 1.73% during 2014 (141.16) compared with 2013 (138.75) with reference to base year 2004=100.

### **Economic Sectors**

The services sector constitute the highest rate of the Gross Domestic Product at 20.8% (1,546.6 million USD), compared to other sectors.

The construction sector constituted 7.2% (533.4 million USD) of the Gross Domestic Product GDP during 2014 compared with 10.1% (758.7 million USD) during 2013 with a decrease of 0.3%.

Industrial sector forms 14.5% (1078.3 million USD) of the Gross Domestic Product during 2014 compared with 15.5% (1158.5 million USD) during 2013 with a decrease of -6.9%.

The agricultural activity is 3.9% (280.2 million USD) of the Gross Domestic Product during 2014 compared with 4.1% (309.9 million USD) during 2013 with a decrease of -4.9%.

It is worth mentioning that Israeli-imposed geographic fragmentation and related restrictions caused losses of about of USD 6.9 billion in 2010, an amount close to the GDP of that year, USD 4.5 billion of losses are the result of heavy restrictions imposed on Palestinians in accessing their natural resources, such as water, minerals, natural gas reserves, salts, stones and land. Losses incurred by restrictions on accessing these resources amount to 56% of the GDP and cannot be justified by security needs. Many of these resources are rather exploited by Israel itself. Another large portion of the economic losses is related to the Israeli siege on the Gaza Strip. The heavy costs resulting from the siege on GS are a direct result of a myriad of Israeli restrictions, including the almost complete closure imposed on internal commerce and international trade, the disruption caused to the electricity production, the limited access to the sea resources and the continued shelling of essential infrastructure and economic facilities. Additionally, the siege deprives the treasury of more than one third of its revenues stemming from imports and exports across the GS's borders. Other losses related directly to the Israeli occupation include the extra costs imposed on Palestine and resulting from its dependency on Israeli supplies for water and electricity, costs imposed on exports and imports, higher transaction costs inside Palestine, as well as the destruction of agricultural lands and structures. So Palestine would run a healthy fiscal surplus of several hundred millions of dollars in the absence of these direct losses attributable to the Israeli occupation, and which -otherwise would enable the Palestine to further invest in social, economic and environmental development<sup>10</sup>

#### 2.3 Consumption

The gross consumption in Palestine has decreased by 5.7% from 8,516.4 million USD in 2013 to 9,005.2 million USD in 2014<sup>11</sup>

The results of the Palestinian Expenditure and Consumption Survey of 2011 revealed that the average monthly total food and non-food household cash expenditure amounted to 1335.31USDin Palestine as of 1,494.9USD, in the West Bank compared to 1030.1USD in Gaza Strip (Table 2.3 below) as for an average size of households in Palestine 6.0 persons 5.7 persons in the West Bank and 6.6 persons in Gaza Strip. The total food and non-food

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<sup>&</sup>lt;sup>10</sup>The Ministry of National Economy and the Applied Research Institute Jerusalem (ARIJ), 2011. The Economic Costs of the Israeli Occupation of Palestine.

<sup>&</sup>lt;sup>11</sup> Palestinian Central Bureau of Statistics (PCBS), 2015. Press Report Of Economic Forecasting For 2015

household consumption are 1392.37.8 USD, 1,561.70 USD, and 1068.64USD in Palestine, West Bank and Gaza Strip<sup>12</sup>.

Table 2.3: Average monthly household expenditure and consumption in United States Dollars (USD) in Palestine by commodities, service groups and region, 2011 (Source PCBS, 2014)

Commodities and Service Groups	Palestine	West Bank	Gaza Strip
Food Cash Expenditure	479.8	510.7	420.6
Total Food Consumption	495.8	531.8	427.1
Non-Food Cash Expenditure	733.1	859.2	491.8
Total Non-Food Consumption	896.6	1030	641.5
Total Consumption	1392.4	1,561.7	1068.6
Total Cash Expenditure	1,335.3	1, 494.9	1,030.1

Table 2.4(below) explains that the per capita food consumption was at 35.6% of the total per capita consumption, 34.0% in the West Bank compared to 40.0% in Gaza Strip. The per capita total non-food consumption was at 64.4% with 66.0% in West Bank and 60.0% in Gaza Strip.

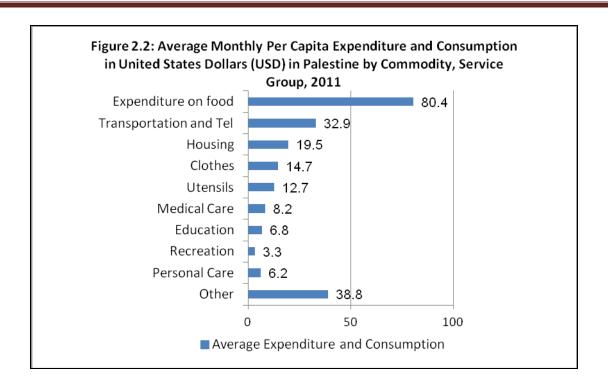
Table 2.4: Percentage distribution of per capita consumption in United States Dollars (USD) in Palestine by commodities, service groups and region, 2011. (Source **PCBS**, **2014**)

, ,		,	,
Commodities and Service Groups	Palestine	West Bank	Gaza Strip
Total Food Consumption	35.6	34.0	40.0
Total Non-Food Consumption	64.4	66.0	60.0
Total Consumption	100	100	100

Figure 2.2 (below) presents that average monthly per capita expenditure on food and non-food are 80.4USDand 143.1USD respectively. The Total Non-Food commodities and services include transportation and telecommunication, housing, clothes, utensils, medical care, education, recreation, personal care, and other.

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<sup>&</sup>lt;sup>12</sup>Palestinian Central Bureau of Statistics, 2014. Palestine in Figures.



### 2.4 Human Capital

Human capital corresponds to knowledge, skills, competency, experience, attitude and behavior embedded in an individual (either innate or acquired) that contributes to his or her "productivity". Investment of human capital was the primary element to increase the growth of an individual' wage, firms' productivity, and national economy. Throughout the investment of human capital, an individual's acquired knowledge and skills can easily transfer to certain goods and services. Learning through education, research, training and networking is the core factor to increase the human capital. Therefore, human capital measurement is an important source in terms of suggesting various policies regarding human resources. Since 1990, United Nations Development Programme (UNDP) has reported Human Development Index (HDI) value and rank, measuring a country's human development and well-being. The structure of the index is constituted to health, knowledge, and standard living with many indicators such as life expectancy at birth, adult literacy rate, gross enrollment ratio, and Gross Domestic Income (GDI) per capita<sup>13</sup>.

Table 2.5 (below) reviews Palestine's progress in each of the HDI indicators. Between 1980 and 2012, Palestine's life expectancy at birth increased by 10.2 years and expected years of schooling increased by 3.1 years between 1990 and 2012. Mean years of schooling were constant at 8 years between 2010 to 2012. Palestine's GNI per capita increased by about 50 percent between 1980 and 2012.

<sup>&</sup>lt;sup>13</sup> OECD World Forum, 2009. Human Capital and its measurement. The 3rd OECD World Forum on "Statistics, Knowledge and Policy" Charting Progress, Building Visions, Improving Life. Busan, Korea - 27-30 October 2009

Table 2.5: Palestine's HDI trends based on consistent time series data, new component indicators and new methodology (Source UNDP, 2013.Human Development Report 2013)									
	Life	Expected	Mean years	GNI per	HDI value				
	expectancy at	years of	of schooling	capita					
	birth	schooling		(PPP					
				USD)					
1980	62.8			2,240					
1985	65.9			2,648					
1990	68.1	10.4		2,691					
1995	69.7	10.4		2,694					
2000	70.9	11.6		3,347					
2005	71.8	12.9		2,710					
2010	72.6	13.5	8	3.039	0.662				

Assessing the status of HDI in Palestine relative to other countries in the region indicates good progress compared with Egypt and Syria as shown in Figure 5.1 (below).

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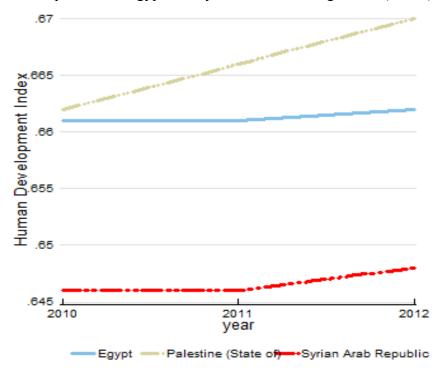
8

3,236

3,359

0.666

0.670



13.5

13.5

2011

2012

72.8

73.0

Figure 2.3: Comparison of HDI trends between Palestine, Egypt and Syria (Source UNDP, 2013.Human Development Report 2013)

In addition, Palestine's HDI value for 2012 is 0.670 – in the medium human development category – positioning the country at 110 out of 187 countries and territories. Between 2010 and 2012,

Palestine's HDI value increased from 0.662 to 0.670, an increase of 1 percent or average annual increase of about 0.6 percent. The rank of Palestine's HDI for 2011 was 111 out of 187 countries. Palestine's 2012 HDI of 0.670 is above the average of 0.64 for countries in the medium human development group and above the average of 0.652 for countries in Arab States. From Arab States, countries which are close to Palestine in 2012 HDI rank and population size are Jordan and Oman, which have HDIs ranked 100 and 84 respectively<sup>14</sup>.

Palestine has paid special attention, in its national development plan 2014-2016, to building human capital as the most precious asset and backbone for socio-economic development.

The Palestinian efforts of building human capital and linking education to development include:

- Investing in education, higher education and TVET systems as well as supporting entrepreneurship education to build national human capital linked to the labor market and society needs, with a view to consolidate a growing knowledge-based economy in a free and democratic state of our own. To this end, Palestine earmarked 187 million USD for the education sector during three years representing 12.5% of the overall development budget and 45% of the social development sector budget to ensure every citizen's right to education <sup>15</sup>.
- Providing capacity building to governmental, private sector and civil society organizations in National Development Plan sectors and subsectors aimed to advance sustainable development including good governance (justice, local government, public finance, media), social protection and development (health, education, culture, youth, women), economic development and empowerment (national economy, employment, agriculture, ICT, tourism), and infrastructure (energy, environment, housing, transportation, water and wastewater).
- Approving a new national TVET strategy with an overall objective of creating knowledgeable, competent, motivated, entrepreneurial, adaptable, creative and innovative workforce in Palestine contributing to poverty reduction and social and economic development through facilitating demand-driven, high quality technical and vocational education and training, relevant to all sectors of the economy, at all levels and to all people. The unified TVET strategy will provide the Palestinian labor force with market-oriented training, a structural ability to adapt quickly to changing circumstances and market needs, high quality in teaching through comprehensive and continuous teacher training and curricula development, a financially secure and independent TVET system and, ideally, equal participation of disadvantaged groups <sup>16</sup>.
- Involving private sector in the process of accreditation of academic programs by Accreditation and Quality Assurance Commission (AQAC) to ensure the linkage of academic programs with market needs.

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<sup>&</sup>lt;sup>14</sup>Unites Nations Development Programme, 2013. Human Development Report 2013.

<sup>&</sup>lt;sup>15</sup>State of Palestine, 2014. National Development Plan 2014-2016. State Building to Sovereignty.

<sup>&</sup>lt;sup>16</sup>Palestinian National Authority-Ministry of Education and Higher Education and Ministry of Labour, 2010. TVET Strategy (Revised).

• Providing grants to Palestinian Tertiary Institutions under the Education to Work Transition Project (E2WTP) through Quality Improvement Fund (QIF) managed by the Ministry of Education and Higher Education (MOEHE) to improve the quality of academic programs in order that they are relevant to the job market and economic development needs of Palestine. Grants covered technical oriented programs including engineering, health, sciences and IT. They covered also professional oriented programs include humanities, teacher training programs and schools of businesses<sup>17</sup>.

Despite the progress made in building the Palestinian human capital, still the allocated budget is inadequate to improve the quality of life, productivity and GDI per capita for Palestinians. For instance, the education development budget for 2014 is 40 million USD which is too small.

# 2.5 Development indicators

The following national development indicators are set to track the development impact on the lives of citizens18.

Table 2.6: National development indicators (Source Ministry of Planning and Administrative Development, 2014. National Development Plan, 2014-2016, State Building to Sovereignty)									
Indi	cator					2016 target			
1	Basic	Boys	93.1%	2013	MoE	93.2%	93.7%	94.1%	
	education net enrolment rate	Girls	95.9%	2013	МоЕ	96.1%	96.4%	96.9%	
2	Secondary	Boys	64.9%	2013	MoE	Targets no	ot defined ye	et	
	education net enrolment rate	Girls	82.5%			Targets no	argets not defined yet		
3	Rate of 8 grade students'	Maths	404	2011	МоЕ	Targets no	ot defined ye	et	
	achievement in TIMMS (average 500)	Science	420				Targets not defined yet		
4	Life expectancy	at birth	72.7	2012	МоН	73.0	73.1	73.3	
5	Rate of maternal mortality caused by pregnancy, birth and postpartum complications (per 100,000)		23.2	2012	МоН	23	21	19	
6	Infant mortality		13.5	2012	МоН	13	12	10	

<sup>&</sup>lt;sup>17</sup>Ministry of Higher Education, 2012. Education to Work Transition Project (E2WTP). Funded by the World Bank.

<sup>18</sup>State of Palestine, 2014. National Development Plan 2014-2016. State Building to Sovereignty.

7	Child mortality rate (per 1000 children under the age of 5)		16.2	2012	МоН	15	14	12	
8	Children's vaccination coverage rate		97%	2012	МоН	98%	99%	99%	
9	% of babies v	vith normal	92.4	2012	МоН	93%	95%	96%	
10	Prevalence	Stunting	1.5%	2012	МоН	1.3%	1.2%	1%	
	rate of	Wasting	0.7%	2012	МоН	0.6%	0.5%	0.4%	
11	Economic growt	th rate	1.5%	2013	MoF	2%	1.5%	1%	
12	GDP (USD mill	ion)	12,765.8	2014	PCBS	11,778	12.199	12,568	
13	GDP per capita	(USD)	2,973.4	2014	PCBS	Targets no	ot defined y	et	
14	Unemployment	Total	23%	2013	PCBS		ot defined y		
		West Bank	19.1%	2013	PCBS	Targets no	ot defined y	et	
		Gaza Strip	32.5%	2013	PCBS	Targets no	ot defined y	et	
		Males	37.8%	2013	PCBS	Targets no	ot defined y	et	
		Females	20.3%	2013	PCBS	Targets no	ot defined y	et	
15	Poverty rate consumption pat	as per	25.8%	2011	PCBS	Targets not defined yet			
16	Poverty gap as j consumption pat		6.0%	2011	PCBS	Targets not defined yet			
17	impoverished	the most one fifth of 20%) in ption	10.2%	2011	PCBS	Targets no	Targets not defined yet		
18	Per capita water	West Bank	78.4	2013	PWA	76.4	77	77	
	consumption (liters/ day)	Gaza	89.5	2013	PWA	94	97	100	
19	% of household to clean water su		96%	2012	PWA	96%	97%	97%	
20	Per capita consumption (K	electricity	1073	2013	PENRA	1100	1200	1250	
21	Percentage of s	- '	0.4%	2013	PENRA	2.2%	4.5%	6.5%	
22	Percentage of losses from leakage from electricity network		24%	2012	PENRA	23%	22%	21%	
23	% of households	West Bank	31%	2012	PWA	33%	36%	40%	
	connected to sewage.	Gaza	70%	2012	PWA	72%	74%	78%	

24	% of MSW Collection	Rural area	88%	2013	EQA	89%	90%	91%
	Coverage	Urban area	93%	2013	EQA	94%	95%	96%
25	% of MSW Final	Composte d	less than 0.5 %	2013	EQA	0.5%	1%	1.5%
	Destination	Recycled	less than 0.5 %	2013	EQA	0.5%	1%	1.5%
		Land filled	42%	2013	EQA	+ 5%	+ 5%	+ 5%
		West Bank						
		Land filled Gaza	22%	2013	EQA	+ 5%	+ 5%	+ 5%
		Openly dumped	67%	2013	EQA	- 3%	- 3%	- 3%
26	% of persons connected to internet (per 1000 people)		23.6%	2013	MTIT	25.6%	27.8%	30.4%
27	% of persons with cell phones (per 1000 people)		70.5%	2013	MTIT	79.1%	87.6%	93.6%
28		of Local of roads	0.55	2013	МоТ	+1%	+2%	+3%
	surfaced roa (per 1000 people		0.28	2013	МоТ	+1%	+2%	+3%
29	% of vehicles people)	(per 1000	87	2013	МоТ	+5%	+10%	+15%
30	Recurrent expenditure as a of GDP.	public percentage	32.7%	2013	MoF	32.8%	32.3%	32.1%
31	Development budget as a percentage of GDP		1.7%	2013	MoF	3%	2.9%	2.8%
32	Recurrent budge a percentage of		-12.2%	2013	MoF	-10.9%	-10.1%	-9.4%
33	Crime rate per 1	,000 people	670	2012	Police	-1%	-1%	-1%
34	% of citizens "feeling secure a		75%	2012	PCBS	+2%	+2%	+2%

# 3. Policy context and practices

### 3.1 National policy, Inter-ministerial - SDS strategy and relation to economic strategy

# National policy

Palestine has formulated National Policy Agenda (NPA)<sup>19</sup> in 2014 with the vision of ensuring a sustained Palestinian development action towards the realization of Our National Development Vision of the State of Palestine, which continues to govern and guide all successive Palestinian national policy and development planning initiatives. NPA addresses the development challenges and priorities and provides a strategic and policy framework for National Development Plan (NDP) 2014-2016 in terms of key policy priorities and sectoral policy priorities.

The policy framework is embraced by all relevant partners, including the government, private sectors and civil society actors. It is in line with the National Development Vision and goals based on two-state solution, aiming at the establishment of the Sovereign and independent State of Palestine. The NPA regulates and guides functions and development interventions of all government bodies. It shows the optimum allocation as well as efficient use of available resources, contributing to establishing socio-economic stability and advancing a sustainable development approach. This ensures an integrated, consistent, effective and efficient implementation of various investments and interventions within an agreed general framework.

NPA helps set the grounds for resource allocation to four national sectors (good governance and institution building, social protection and development, economic development and employment, and infrastructure) and drive a budgeting process in line with a national consensus and sustained commitment to national development vision and goals. It is based upon sector and cross-sector strategies, which have been developed as part of NDP 2014-2016.

The NPA is informed by, and builds on, other planning and policy initiatives, activities and studies implemented by governmental agencies, civil society actors and international organizations. It also promotes and scales up previous efforts and achievements made by the Palestinian Reform and Development Plan (2008-2010) and National Development Plan (2011-2013) in the four national sectors. Key national policy priorities include:

- In line with the two-state solution and on the basis of the 1967 border, establish state sovereignty and assert control over natural resources. Special attention will be paid to Area C, particularly the Jordan Valley and Dead Sea Area, as well as to development of East Jerusalem and Gaza.
- Recover and build a national-based national economy, reinvigorate the private sector, enhance corporate social responsibility and enhance productive capacity and fair competition, especially in agriculture, industry, tourism, and information technology.

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<sup>&</sup>lt;sup>19</sup>Palestine, 2013. Proposed National Policy Agenda of National Development Plan 2014-2016

- Continue the institution building process, achieve fiscal stability, improve effective state functions, and develop capacity to deliver equitable, high quality public services.
- Alleviate poverty and unemployment and promote social justice, taking account of discrepant needs and conditions of various social groups on the basis of gender, age, disability, and geographical regions.
- Enact a democratic political apparatus and promote community safety on grounds of respect of human rights, integrity, transparency and accountability.
- Enhance the visibility of the State of Palestine in Arab, regional and international forums and meet necessary conditions to accede to various international treaties and conventions. To this end and meet the higher national interest, national legislative and institutional structures will be developed in line with the requirements of these treaties and conventions.

Policy priorities of national sectors are presented under items numbers 3.3 to 3.8 in this chapter. Based on the interview of MOPAD representative who indicated that the national policy lack appropriate informative and economic policy instruments, enablers, and techniques to advance sustainable development and SCP.

#### UInter-ministerial- SDS strategy and relation to economic strategy

There is no dedicated SDS strategy in Palestine. However, SDS strategy actions are incorporated into strategies at national, sectoral, sub-sectoral, tows/villages, communities, governmental agencies, civil society organizations, and private sector strategies. The overarching framework for sustainable development in Palestine is its national long-term vision and key national policies.

The NDP 2014-2016has been intended to advance a comprehensive, balanced and sustainable development as it is structured along the lines of four key sectors and sub-sectors including economic development and employment (economy, agriculture, tourism, ICT, labor), good governance and institutional building (local government, public finance, public service delivery, and justice and rule of law), social protection and development (social protection, education, TVET, healthcare, culture, youth, women), and infrastructure (transportation, energy, water and wastewater, environment). The social and economic pillars of sustainable development have been advanced as main sectors in the NDP and receive significant budget of 287 million USD (19%) and 410 million USD (27.4%) of the total development expenditures while the environmental pillar has been indicated as one of the sub-sectors under infrastructure sector and receive modest financial budget at 34.7 million USD (2.3%). NDP contains strategic objectives, priority policies, and line agencies for the four national sectors. It adopts almost similar principles and approaches to sustainable development strategies including building a system of coordinated mechanisms and processes dealing with national development priorities step by step, continuous learning and improvement, multi-stakeholder approach, gender-responsive and human rights-based approaches, society as a whole is responsible, results (outcomes, impacts) oriented planning and budgeting, and effective participation and ownership of planning process.

It is worth mentioning that economic sector strategy is an integral part of NDP. Economic sector strategic approach is to establish more robust foundations for an independent, equitable and

sustainable national economy, which materializes sustainable development, provides decent employment opportunities to citizens and enhance their productivity to alleviate poverty. Its strategic objectives include investments creating employment opportunities have increased, an enabling environment for balanced economic growth and development in place, national productive capacity and the competitiveness of Palestinian businesses has improved, and entrepreneurial and innovative initiatives among the youth and women in the economy sector have expanded, both quantitatively and qualitatively<sup>20</sup>.

Palestine National Strategy to achieve the MDGs by 2015<sup>21</sup> has focused on the eighth MDGs including eradicating extreme poverty and alleviate poverty, achieve quality primary education for all students in the 4-15 age group, empower the liberation of women and promote gender equality and social justice, reduce infant mortality, improve maternal and women's health and combat HIV infections and communicable diseases, ensure environmental protection and sustainability, and develop a global partnership for development. Achieving progress towards the MDGs is at the core of operationalizing sustainable development as the strategy advances the social and environmental sectors which are two key pillars of sustainable development. The strategy forms a national framework to coordinate the efforts of the various stakeholders to achieve the MDGs, and it is an important reference for the development of sector strategies and the National Development Plan for 2014-2016. Political commitment to MDGs is seen in issuing a ministerial decree in September 2005 to adapt the MDGs and to work on their integrations in the Palestinian development plans.

Palestine's report to UNCSD in Rio de Janeiro<sup>22</sup> stated that the obstacles faced in achieving Sustainable Development, include external obstacles caused by the Israeli occupation and internal ones related to the existing institutional framework. The accumulative effects of Israeli occupation policies have resulted in high poverty rates, widespread unemployment, especially in the Gaza Strip, and prevalent food insecurity. However, Palestine exercises all available options to improve the social, economic and environmental conditions of the Palestinian people. The accomplishments of Palestine have been mostly in the social development sphere, while economic development lags behind since it is subjected to multiple restrictions imposed by the Israeli occupation including lack of control over borders, imports and exports; limitations on production inputs with dual use items, siege on the Gaza Strip, movement restrictions inside the West Bank, land confiscation, complicated permit regime, Israeli exploitation of natural resources, and destruction of the Palestinian economic facilities during frequent offensives on Gaza Strip.

The environment remains the weakest compared to the social and economic pillars due to Israeli occupation and internal challenges. Diminishing access to Palestinian resources and increasing pollution of available resources by Israel are the main sets of obstacles. The emerging environmental challenges in Palestine are desertification and climate change. While Palestine has developed strategies to combat desertification and to adapt to climate change, environmental issues continue to receive limited funding from the national budget, as well as from international donors. On the positive side, some of the achievements in the environmental sector include the

<sup>&</sup>lt;sup>20</sup>State of Palestine, 2014. National Development Plan 2014-2016. State Building to Sovereignty.

<sup>&</sup>lt;sup>21</sup>The Palestinian National Authority, 2012. The National Strategy to Achieve the MDGs by 2015.

<sup>&</sup>lt;sup>22</sup> Palestine, 2012. Sustainable Development Under Israeli Occupation: Achievements and Challenges. Palestine's Report to the United Nations Conference on Sustainable Development, Rio de Janeiro, 20 - 22 June 2012.

establishment of designated government bodies for managing environment and natural resources; laws and by-laws to protect the environment; an increased focus on environmental issues by civil society organizations; and green economy initiatives including green loans, green energy, green agriculture, and green buildings. Though the environment features as a cross-cutting theme in the integrated national planning and budgeting process, supported by a sectoral strategy, the implementation of environmental objectives throughout each of the affected sectors still requires further mainstreaming.

Major Palestinian institutional achievements include the development of a national integrated planning and budgeting framework, based on sector and cross-sector strategies. Institutional challenges towards sustainable development on the home-front include insufficiency of legislations, overlap in institutional roles and responsibilities, the paralysis of the legislative branch since mid-2007, conditional funding by donors, and the donors' repeated diversion of development assistance towards emergency funding – either as a result of real emergencies or out of a political motivation.

# 3.2 Policy implications for SCP

There are no dedicated action plans for SCP in Palestine so far. However, SCP is incorporated into other policies, strategies at national and local levels. The overarching framework for SCP in Palestine is its national long-term vision. Following are principal polices and strategies that integrate SCP priority areas of energy, water, waste, transportation, agriculture, housing, tourism, rural development and poverty, education and lifestyles:

- Palestinian Basic Law that acknowledges a well-balanced and clean environment as one of the human rights; introduces the principle of sustainability by emphasizing that preservation and protection of the Palestinian environment from pollution, for the sake of present and future generation as a national duty; and includes principles of good governance.
- Various Palestinian Laws including the Environmental Law, the Water Law, the energy law and other by-laws based on these laws.
- National strategic development plans: the Palestinian Reform and Development Plan (PRDP) (2008-2011); Palestinian National Development Plan (NDP, 2011-2013), Palestinian National Development Plan (2014-2016)
- National Development Policy Agenda of the National development Plan 2014-2016
- Sectoral and cross-sectoral strategies (i.e. water and wastewater, solid waste, energy, housing, agriculture, economy).
- The Environment Assessment Policy.
- The National Strategy to achieve the MDGs by 2015.

- First generation (1999-2001) of environmental strategies including the first environmental strategy for duration of ten years; the Gaza Strip Coastal and Marine Environmental Protection and Management Action plan (2001) and the National Biodiversity Strategy and Action Plan for Palestine (NBSAPP) (1999).
- Second generation (post 2009) of environmental strategies including the Environmental Strategy (2011- 2013); the Environmental sector strategy 2014-2016; the Water and Wastewater Strategy 2011-2013; the Climate Change Adaptation Strategy and Programme of Action for the Palestinian Authority (2009); the National Strategy, Action Programme and Integrated Financing Strategy to Combat Desertification (2012); the National Strategy for Solid Waste Management 2010- 2014; and the National Policy and Legislation for Promoting the Conservation of Agro-biodiversity (April 2005); and the National Plan to conserve the Natural Resources and Historical Sites.
- The Palestinian Environmental Assessment Policy which regulates giving the environmental approvals for development projects and industrial activities is one tool for SCP.
- Strategic Development and Investment Plans for municipalities in Gaza Strip and West Bank with the effective participation of local community.

# 3.3 Energy and climate policies

# Energy policies:

The Palestinian energy sources consist of (i) the energy generated by petroleum and natural gas derivatives; (ii) electricity; and (iii) renewable energy (including solar power, wind power, and energy generated from burning wood, peat, etc.). With the exception of renewable energy, the Palestinian energy sector is distinctive of scarce sources and inability to fully exploit currently available ones, causing it to largely depend on importation from Israel. The ongoing Israeli occupation and control over borders and crossing point as well as over a vast area of the Palestinian territory have impeded implementation of many plans and programmes developed by national sector bodies<sup>23</sup>.

PENRA was established by Law N° (12/1995) that included the identification of the PENRA role and authorities. The General Electricity Law has been approved according to Decision N° 13/2009, which adjusted and clarified the PENRA duties and Electric Power Sector Structure. In addition, the Palestinian Act for On Electrical Grid connection was enacted.

The Palestinian government has scored some progress in energy sector. Through PENRA, the Palestinian government commenced construction of transmission stations in the West Bank and Gaza Strip, development of energy distribution system, and promotion of efficient energy use. The government enhanced the economic efficiency of the energy sector by implementing the prepaid meters project, which is designed to reduce energy consumption, increase collection rate, and minimize net lending. The government also restructured the electricity sector, upgraded relevant

<sup>&</sup>lt;sup>23</sup>Palestinian Energy Authority, 2013. Energy Sector Strategy 2011-2013.

laws and regulations, and promoted effective and efficient operation of sector bodies. In addition to establishing and starting the operations of the Electricity Regulatory Council and North Electricity Distribution Company, the government has started to restructure and adjust positions of other electricity distribution companies in Palestine and to incorporate the National Electricity Transmission Company. To diversify electricity sources and consolidate self-reliance, the government paid special attention to exploiting renewable energy sources, and developed necessary strategies, laws and regulations. Current exploitation of renewable energy sources comprises approximately 15.4% of the total energy consumption in Palestine. Annual growth of the solar power use is almost 1%<sup>24</sup>.

As the energy sector plays a vital role in developing the national economy and providing employment opportunities, PENRA set a strategic objective that "energy shall be secured and supplied to consumers in a sufficient quantity and in line with technical and environmental specifications that meet international standards". To achieve this strategic objective, PENRA will materialize the following priority policies in energy sector over the years (2014-2016).<sup>25</sup>:

- Diversify energy sources and provide an energy strategic reserve, with a particular focus on increasing local production and developing renewable energy initiatives.
- Adopt strict international standards to provide safe and high quality energy and meet the needs of citizens' as well as production and service sectors.
- Build relationships, conclude large scale regional and Arab agreements and connect with a regional electricity network in neighboring countries with a view to promote sustainable energy supply and prevent monopoly by Israel.
- Rationalize energy consumption and finalize development and reform of the energy sector, and develop effective and efficient energy generation, transmission and distribution systems.
- Develop and exploit oil and gas field and enact relevant laws and regulations.
- Set legal and regulatory framework to urge and invigorate the private sector in energy investment interventions.

PENRA formulated "Strategy for Renewable Energy in Palestine up to 2020" to accelerate the diversification of energy sources in Palestine, which will lead to gradual independence from the Israeli Electricity Company. The strategy exhausts the opportunities in renewable energy for the adequate supply of clean energy for residential, commercial and industrial needs. The strategy calls for the gradual production of 240 MW of electricity using different alternative energy sources representing 10% of the total electricity produced locally and 25% of the total energy consumption in Palestine by 2020<sup>26</sup>.

<sup>26</sup>Palestinian Energy and Natural resources Authority, 2012. Strategy for Renewable Energy in Palestine.

<sup>&</sup>lt;sup>24</sup>Palestine, 2013. Proposed National Policy Agenda of National Development Plan 2014-2016.

<sup>&</sup>lt;sup>25</sup>State of Palestine, 2014. National Development Plan 2014-2016. State Building to Sovereignty.

PENRA developed the Palestinian National Energy Efficiency Action Plan (NEEAP) to achieve the indicative target of 5% (approx. 384 GWh/Year) less electricity consumption over three phases between 2012 and 2020<sup>27</sup>.

# Climate policies:

Of the adaptation policy options identified for the Palestine, it is recommended that prioritization is given to these no-regrets and low-regrets measures which are judged to have the highest levels of adaptive capacity and technical feasibility<sup>28</sup>.

# No-regrets adaptation options:

- Development of flood contingency plans
- Local increases in rainfall interception capacity
- Establishment of clear water use priorities
- Introduction of more efficient irrigation techniques
- Review of drinking water quality management systems to incorporate climate risks
- Increased (sustainable) production of freshwater
- Increased use of brackish and treated wastewater re-use
- Equitable and reasonable utilization of transboundary water resources between the Israelis and the Palestinians (involving a fairer allocation of groundwater and freshwater)

#### Low-regrets adaptation options:

- Increase in irrigation for highest value crops
- Increased use of water harvesting
- Protection of coastal sand dunes
- Rural livelihood diversification
- Adaptive land use planning
- Increased use of precision agriculture for improved soil and crop management
- Alteration of crop and ruminant selections for more tolerance to heat and drought.

# 3.4 Agriculture and Land Management policies

The agriculture sector touches all aspects of Palestine's land, economy and people. 21% of Palestinian land is agricultural with eighty-one percent of the area is rain-fed; the remaining 19 % is irrigated.

Agriculture is an economic activity and source of income, and also a major contributor to the protection of land from confiscation and settlement. It supports the achievement of food security,

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<sup>&</sup>lt;sup>27</sup>Palestinian Energy and Natural resources Authority, 2012. Palestinian National Energy Efficiency Action Plan (NEEAP) in Palestine.

<sup>&</sup>lt;sup>28</sup>United Nations development Programme, Environment Quality Authority, 2010. Climate Change Adaptation Strategy and Programme of Action for the Palestinian Authority.

provides employment for 11.5% of the labor force, contributes 5.6% to the GDP, and accounts for 21% of total exports.

Moreover, in addition to its direct contribution to the improvement and preservation of the environment, it plays an important role as a supplier of requirements to various industries as well the consumer of inputs and services from other sectors. To achieve sector vision that is a sustainable, efficient agriculture sector, able to ensure food security and foster competition, the Ministry of Agriculture (MoA) will implement the following priority policies<sup>29</sup>:

- Intensify efforts to rehabilitate the agriculture sector in Area C.
- Rehabilitate what the [Israeli] occupation has destroyed and support farmers who are affected by Israeli acts of aggression.
- Support and protect marginalized groups, especially smallholder farmers, impoverished people in rural areas, women and Bedouins.
- Enforce agricultural control at borders and build national laboratories.
- Palestine signs agreements and joins regional and international agricultural organizations.
- Improve management of supply and demand on water used in agriculture.
- Sustainable management of land, increase in land area, reclamation of land, and sustainable utilization of agricultural biodiversity.
- Adaption to the negative impacts of climate change and natural disasters.
- Support a sector-wide shift towards intensive and semi-intensive production systems and apply modern agricultural production systems in line with sustainable development requirements.
- Steer agricultural production to meet domestic and external market needs and enhance competitiveness.
- Improve the efficiency and effectiveness of agricultural institutions and develop their legal and coordination frameworks
- Train and rehabilitate the human resources involved in agriculture (men and women).
- Provide incentives to investment and partnership between the public and private sectors and support excellence and innovation in agriculture.

<sup>&</sup>lt;sup>29</sup>Ministry of Agriculture, 2014. National Agriculture Sector Strategy "Resilience and Development" 2014-2016.

- Improve extension services, plant protection, veterinary services, research and agricultural marketing.
- Develop the systems of lending and financing for rural areas, risk prevention and agricultural insurance.

# 3.5 Green Public Procurement (GPP)

Public procurement in Palestine refers to acquisitions of goods and services by public institutions that accounts for about 10 percent of GDP.

Palestine enacted a public procurement law in 2011 reflecting international standards reflected in the United Nation Commission on International Trade Law (UNCITRAL) Model Law on Public Procurement (1994). The law for public procurement covers purchase processes for all ministries, municipalities and organizations of the Palestinian Authority, who usepublic money to procure work contracts, supplies and services by way of bids andtenders.

The enacted public procurement law takes into account GPP based on the definition "GPP is a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured".<sup>30</sup>.

The existing situation with regard to GPP in Palestine reflects inadequate bringing environmental concerns into the tendering process for goods and services as well as slows shifting from Public Procurement to GPP.

However, Palestine participated in regional events on GPP such as National capacity building activity on Green Public Procurement Procedures in Croatia in April 2011. Palestine also encourages a sustainable green economy(GE) as a priority policy to be implemented over the next three years which supports GPP. Green economy in Palestine is seen largely as an economic approach that limits the negative impacts on the environment and foster environmental protection, thus providing a healthier, cleaner and well balanced environment for the benefit of the people. Palestinian initiatives in green economy include green agriculture, composting, recycling, green loans, green energy, green jobs, and green buildings<sup>31</sup>.

# 3.6 Corporate Social Responsibility (CSR)

#### 3.6.1 General Assessment of CSR Concept in Palestine

CSR definition according to local corporate perspective is the balance between corporate sustainability and its moral obligations towards the well-being of the civil society as a safety valve for monitoring and maintaining the private corporate survival. The notion of CSR arose in Palestine by the leading industrial and commercial firms with a proportional allocation of revenues

<sup>30</sup>Wozniacki, L., 2012. Guidance to Foster Green Public Procurement.

<sup>&</sup>lt;sup>31</sup>Palestine, 2012. Sustainable development under Israeli Occupation: Achievements and Challenges. Palestine's Report to the United Nations Conference on Sustainable Development, Rio de Janeiro, 20 - 22 June 2012.

expended for humanitarian goals. This is an outcome of Israeli financial policies when the added value tax was imposed on Palestinian financial revenues. As inferred from the Israeli tax law, money disbursed for charitable causes are tax exempted. Palestinians adhered to this policy as part of their national role to allocate part of their income for the use of social service and charitable societies. Thereinafter, this positive attitude became a trend which has been vigorously increased among private companies<sup>32</sup>.

The Palestinian Monetary Authority and Association of Banks organized the First Annual Palestinian Corporate Social Responsibility Conference on 10 November 2010 in Ramallah. The conference endorsed the foundation of the Corporate Social Responsibility concept and the creation of a partnership between the private and public sectors and the civil society sector, and stressed the importance of spreading the culture of CSR through monitoring authorities and concerned bodies.

Palestine encourages the private sector to participate in implementation of development activities and promote corporate responsibility towards supporting local government sector as a key policy priority to be implemented during 2014-2016<sup>33</sup>.

# 3.6.2 Models of Palestinian CSR Practices

#### Case of Bank of Palestine

Bank of Palestine has been the leader in Corporate Social Responsibility in Palestine dedicating 6.4% of its annual net profit in 2013 reaching a total of USD 2,536,806 to support community projects in the Palestinian society. BOP's corporate social responsibility policy is engaged in initiatives across sectors in the community including education, youth empowerment, creativity, sports, health, environments, art, culture, economic affairs, expat relations, and humanitarian endeavors. Bank of Palestine encourages its employees to engage in voluntary work through development projects in partner organizations and humanitarian initiatives. BOP's vibrant CSR operations have enhanced the national culture and Palestine has to national development. At Bank of Palestine, they are committed to continued humanitarian development across all economic and social sectors, making a positive impact in local communities and contributing to achieving sustainable development.

# Case of PADICO

PADICO HOLDING<sup>35</sup> is committed to making investments in socially and environmentally conscious projects, driving employee and community development, and leading a sustainable Palestinian economy. It operates in an unstable environment subject to extreme political uncertainty and socio-economic pressures. This has influenced the Company's management approach and strategic outlook. Its investment strategy must emphasize long-term stability and growth over short-term profits, especially where the environment and local community are concerned. The company has therefore invested in environmentally conscious waste management and infrastructure projects, and has developed a number of community development initiatives

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<sup>&</sup>lt;sup>32</sup>ID Management Consultants, 2006. Corporate Social Responsibility: Palestine Model

<sup>&</sup>lt;sup>33</sup>State of Palestine, 2014. National Development Plan 2014-2016. State Building to Sovereignty.

<sup>&</sup>lt;sup>34</sup>Bank of Palestine, 2013. CSR Report 2013.

<sup>35</sup>http://www.padico.com/public/English

that seek to cultivate Palestine's human capital. It is also a proud member of the UN Global Compact.

PADICO HOLDING has based its commitment to the community on the two main visions; First: sectors that support sustainable development , and second: long-term strategy in order to achieve a tangible impact that is reflected on diverse societal segments. PADICO has dedicated 2% (0.52 million USD) of its annual net profit in 2013 (26 million USD) to support community initiatives in education, culture and arts. PADICO also supported the university tuition fees for Palestinian students living in Lebanon with an amount of 140,000 USD.

# Case of PALTEL Group Foundation

The PALTEL Group Foundation is an independent, non-profit organization established by the PALTEL Group (Jawal, Palestinian Telecommunication, Hadara, Reach, Hulul/Business Solutions, Pal media) in 2008 as a direct response to the growing needs of Palestinian society. The unified annual operating income for PALTEL group reached 530.1 million USD in 2013 and net profit of 129.7 million USD. The Foundation is self-financed and corporate-supported foundation dedicating 2% of its annual net profit in 2013.

The Foundation focuses on education, technology and municipal infrastructure sectors. It addresses various forms of youth empowerment by providing equal opportunities to all segments of society in education, by promoting a knowledge based society, by encouraging entrepreneurship, and by identifying role models to inspire future generations of Palestinians. Its philosophy is to contribute to the national development of Palestine and the human development of Palestinian society through partnerships with all of society's stakeholders and with the Palestinian Diaspora, since only an integrated approach to human development can succeed<sup>36</sup>.

# 3.7 Waste management policies and practices

The municipal solid waste generation was 1.387 million tons/year (2012), medical waste generation was 3,226 tons/year (2011), industrial waste was 131,344 tons/year (2011), Hazardous waste was 62,621 tons/year, Agricultural waste was 440,000 ton/year in Gaza strip and no estimate) in West Bank, Waste Tyres (as rubber)was 5,550 tons/year. The per capita municipal solid waste generation was 0.94 kg/day (2012) including 0.9-2.05 kg/day in urban areas and 0.35-0.6 kg/day in rural areas. The waste composition includes 59.1% organic materials, 14.2% plastics, 10.1% paper/cardboard, 2.7% metal, 2.4%glass, and 11.5% other. The municipal solid waste collection coverage is 93 % in urban areas and 88 % in rural areas. The final disposal of solid waste included less than 0.5 % composted, less than 0.5%recycled, 33% land filled (42% West Bank, 22% Gaza Strip), and67% openly dumped. The number of dumpsites is 163<sup>37</sup>.

<sup>&</sup>lt;sup>36</sup>http://www.pgfoundation.ps/

<sup>&</sup>lt;sup>37</sup>Country Report On The Solid Waste Management In Palestine, 2014. SEEPNET, The Regional Solid Waste Exchange of Information and Expertise network in Mashreq and Maghreb countries

Operational dumpsites include Zahrat al Finjanin Jenin, Jericho controlled landfill, Al Menia sanitary land fill in the southern part of the West Bank which serves the governorates of Bethlehem and Hebron, and Juhor ad Dik in Gaza, or on irregular dump sites<sup>38</sup>.

The private sector has minimal participation in solid waste collection and has no participation yet in disposal facilities. It is mainly active in transfer and transport of solid waste in some areas in the west Bank, such as Nablus and recycling of special streams such as construction and demolition waste in Gaza strip, recycling of e-waste illegally imported from Israel, few companies with small size active in recycling of plastic.

The Limited Palestinian jurisdiction and full Israeli control over "C" areas have sabotaged the implementation of solid waste projects and constructing regional facilities such as new Ramallah sanitary landfill. In addition, the Israeli practices of disposing Israeli waste, including hazardous waste in Palestinian areas, have further aggravated the health and impact of solid waste problems.

The Palestinian government has taken actions to promote and advance solid waste sector. The action included the passage of Law No. (1) of 1997 regarding Local Government, Environment Law No. (7) of 1999, and the Public Health Law of 2004 as the most relevant laws to SWM; requesting the accession to Basel convention on hazardous waste; and set a vision for solid waste that is "Integrated and sustainable management of solid waste that contributes to achieving economical and social benefits of the Palestinian People". To shift from the current status of Solid Waste (SW) towards achieving the vision, the Palestinian government will pursue the following policies<sup>39</sup>:

# Solid Waste Management (SWM) Policies:

- Development and update of the legislative framework supporting integrated Solid Waste Management (SWM).
- Strengthening the organizational frame of national institutions and supporting their complementary roles in SWM.
- Establishing an integrated, coordinated, and sustainable institutional approach to support institutional capacity building in the SWM sector.
- Developing the current management systems for SW collection and transport, in order the quality and effectiveness of services and its availability to all citizens.
- Safe and efficient disposal of SW in regional sanitary landfills servicing all communities.
- Encouraging the reduction of SW quantities destined for land filling.

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<sup>&</sup>lt;sup>38</sup>Environmental Quality Authority, 2013. Environmental Sector Strategy

<sup>&</sup>lt;sup>39</sup>Palestinian National Authority, 2010. National Strategy for Solid Waste Management in Palestine 2010-2014.

- Prohibiting the use of random dumpsites and closing or rehabilitating the existing site to limit their environmental and health risks.
- Reducing the amounts of Green House Gases (GHG) emitted as a result of SW activities.
- Reducing the cost for SW collection and transport.
- Achieving cost recovery and self-financing for SWM operating cost.
- Creating an enabling investment environment that encourages the private sector to participate.
- Promoting the partnership spirit and strengthening the alliance between service providers and the served communities to enhance the awareness of SW issues.
- Establishing a unified database for SW and institualizing monitoring systems.

# Medical, Hazardous and Special Waste Policies:

- Creating appropriate inventory and tracking systems for hazardous waste.
- Treatment of medical waste before its final disposal according to the "polluter pays" principle to limit its health and environmental impacts.
- Minimizing the negative health and environmental impacts of special waste.

# 3.8 Water and waste water management policies and practices

Palestinians suffer from restricted access to their entitled share, in accordance with international water law, of the trans-boundary water resources. This manifests itself with low per capita water availability, inadequate water service in terms of access, reliability and water quality, and major seasonal water shortages particularly acute in rural areas. The sewage sector has fared no better with chronic underinvestment leading to partial coverage, very low rate of wastewater treatment, and widespread environmental damage. The lack of clear institutional mandates has contributed to a situation of ineffective governance and weak capacity in the Palestinian water sector, which combined with occupation-related restricting factors, impairs the development of adequate policies and strategies for water resources management, infrastructure development and service provision.

Water sector policy principles as set in the reform plan water in the next three years (2014-2016) include<sup>40</sup>:

#### <u>Integrated water resources management</u>

<sup>&</sup>lt;sup>40</sup>Palestinian Water Authority, 2014. Water Sector Reform Plan 2014-2016

- Fresh water is a finite and vulnerable resource, essential for sustaining life, development and the environment.
- Water is part of larger ecological systems. Realizing the importance and shortage of fresh water, it has to be treated as an essential element for sustaining all life forms.
- Water supply must be based on the sustainable development of all water resources (conventional and non-conventional, shared and endogenous).
- Water resources development must be based on data collection and evaluation of all water resources as well as balancing between water availability and water needs for all sectors.
- All water resources must be protected from pollution and over-exploitation.
- Water has an economic, social and environmental value.
- Water resources must be managed in an integrated manner, taking the needs and viewpoints
  of all existing and potential users and the long term sustainability of these resources into
  account.
- Just, equitable, and sustainable allocation to all legitimate users will be best ensured by the State.
- Agricultural, industrial, and other development and investments must be aligned to the water resource quantity available or to be developed.

#### Water rights

• The Palestinians will pursue their interests in connection with obtaining Palestinian water rights, including the fair right-of-access, right-of-control and right-of-use to water resources shared with other countries, in line with international law.

# Access to water and wastewater services

- Water has a unique value for human survival and health. Each citizen has the right to sufficient and affordable water of the required quality for the purpose of use;
- Each citizen has the right to hygienic sanitation services;
- The needs and interests of all gender groups (marginalized, poor, restricted access, women, etc.) will be taken into account.

#### Financial sustainability of water utilities

• As water has an economic, social and environmental value in all its competing uses, water services are not free.

# Governance and Management

- All water resources are considered as a public property.
- Water resources development and management should be based on a participatory approach, involving all stakeholders (users, planners and policy-makers) at all levels.
- The responsibilities for water resources governance, being a ministerial and regulatory function, and water services management, being an operational function, should be separated institutionally.

#### Sustainable wastewater management

- Water polluters should be made to pay for the damage they have produced;
- Safe disposal of wastewater requires treatment to eliminate biological, chemical and physical hazards;
- Treated wastewater effluent is considered a water resource and is added to the water balance. This is deemed feasible in light of the semi-arid climate, the modest freshwater resources, the high demand for domestic water, the deficit in the trade of food commodities and the marginal cost of such resource development.

# 3.9 Housing policies and practices

Gaza Strip has a high population density, at 4,822 people per kmP2P, with 1.76 million people – half of them children and two-thirds of them refugees—living in an area of 365 kmP2P at mid 2014.

UNCT reflected that Gaza has become heavily urbanized and is facing a current shortfall of 71,000 housing units. The lack of land for expansion inflates land and housing prices, making houses less affordable and making it increasingly difficult, without strong public regulation, to extract land for public infrastructure and services<sup>41</sup>.

NRC (2013)<sup>42</sup> stated that the shelter situation in the Gaza Strip has been affected primarily by occupation, forced displacement, natural population growth, on-going conflict, and restrictions and limits on the movement of goods and people into and out of Gaza. For many in Gaza, these issues have led to overcrowding and inadequate housing.

<sup>42</sup> Norwegian Refugee Council, 2013. Overview of the Housing Situation in the Gaza Strip

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<sup>&</sup>lt;sup>41</sup>United Nations Country Team, 2012. Gaza in 2020: A Livable Place?

The critical priority remains urgently needed reconstruction for large numbers of affected people. UNRWA estimates that over 100,000 homes were damaged or destroyed, affecting more than 600,000 people during the last Israeli offensive on Gaza in the period 8/7- 25/8/2014<sup>43</sup>.

Palestine has continued to support the housing sector which helps to improve the standard of living, ensure the optimal use of land and natural resources, sustain the Palestinian economy, alleviate unemployment, and reduce poverty. It also sought to encourage use of locally manufactured construction materials and strengthening the Palestinian construction industry. Palestine produces necessary studies and develops laws, regulations, and processes to create an enabling environment for private sector to construct adequate, affordable and healthy housing. Palestine developed a set of draft laws including the Lease and Tenancy Law and Mortgage Law, established Advisory Council for the Construction sector as well as laboratory for testing construction materials. It provides also essential external infrastructure and connects housing projects to surrounding areas, integrating them into urban fabric.

To achieve the housing sector vision "sustainable Palestinian human settlements, with decent housing for all Palestinian households", the Ministry of Public Works and Housing (MoPWH) will implement the following priority policies<sup>44</sup>:

- Enable adequate, healthy and affordable housing for all citizens.
- Promote a new sustainable growth model for Palestinian human settlements that recognizes the country's limited land and natural resources and future needs.
- Improve the efficiency of the housing finance market.
- Support and develop the local construction sector and introduce new building typologies.
- Improve the institutional capacity of housing sector bodies.

# 4. Sustainable Consumption and Production in related to the 10YFP on Sustainable Consumption and Production

#### 4.1 Consumer information

Consumer information encompasses tools such as eco-labels, voluntary standards, marketing claims and life cycle approaches which provide quality information on the impacts of goods and services over their lifetime, including the end-of-life. These tools aim to guide consumers in their daily purchasing decisions so that they can make informed choices for sustainable goods and services<sup>45</sup>.

<sup>44</sup>Palestine, 2013. Draft National Housing Policy. Revised Final Version

<sup>43</sup> http://www.unrwa.org/newsroom/press-releases

<sup>&</sup>lt;sup>45</sup>United Nations Environment Programme, 2014. The 10YFP Programme on Consumer Information

# 4.1.1 Economic and societal importance

Consumer information has economic and societal importance as consumers ensure that transparent and reliable information on the sustainability of goods and services is provided to facilitate purchasing decisions; businesses use consumer information tools to identify and reduce the negative impacts of their goods and services on the environment and workers over their entire supply chain; retailers commit themselves to promoting more sustainable products, providing better information to consumers and reducing environmental and social impacts over their supply chains; and governments stimulate the development of operating markets for sustainable products, and the use of information tools including labels and other incentives that can foster sustainable consumption. Consumer information also promotes consumer protection in terms of combating market irregularities that negatively impact markets and the consumer; empowering consumers to exercise informed choice and select value-for-money goods; providing fair access to basic goods and services; and opening avenues to address consumer interests and concerns <sup>46</sup>.

# 4.1.2 Institutional settings and regulatory framework. 47

# Institutional settings include:

- General Administration of Consumer Protection of the Ministry of National Economy (MNE), which is considered the main executive department that monitors products in the Palestinian market with a view to ensure adequate quality and safety of products, to safeguard community public health, and to protect citizens from fraud and price rises.
- Laboratory at MNE for testing locally produced and imported goods.
- The Palestinian Council for Consumer Protection oversees further development and implementation of consumer protection policy and legislation.
- Palestinian Standard Institute (PSI) accredited and issued specifications for (3500) products that are made in Palestine or enter to it including foodand mandatory technical regulations for (44) products. PSI accredited (36) testing laboratories.
- The customs controllers of the Ministry of Finance, which controls the goods entering to Palestine on the borders
- The department for water health of the Ministry of Health, which tracks corrupt food and water.
- Central laboratories of the Ministry of Health the mission of which is to test samples that have been detected and give the result of the tests.

<sup>&</sup>lt;sup>46</sup>United Nations Environment Programme, 2005.Hands-on Sustainable Consumption: A training guide for implementing the United Nations Guidelines for Consumer Protection

<sup>&</sup>lt;sup>47</sup>Palestine Economic Policy Research Institute, 2013. Consumer Protections in Palestine in the Food Sector.

- The Control and Inspection Department of the Ministry of Agriculture, which seizes fresh products at the borders before entering the Palestinian market
- The Pesticide Department of the Ministry of Agriculture, which is responsible for registering, monitoring and importing chemical pesticides.
- There are also NGOs that work in the field of consumer protection, the most important of
  which is the Palestinian Society for Consumer Protection (PSCP) that was founded in late
  2009. PSCP aims to protect and advocate the rights of consumer against all types of fraud
  and price rises, increase the awareness of consumer on rationalizing consumption of goods
  and resources, dissimilate information to consumers on goods and services, and represent
  the consumer in local and international committees.
- Palestinian Food Industries Union (PFIU) established in 1995 as a Palestinian NGO including 180 members of food producers. PFIU seeks to secure healthy food for consumers, to ensure rational use of environmental resources, and to develop quality food industry.

# Legal and policy framework includes:

- Law of Consumer Protection No (21) of 2005 that aims to protect and guarantee consumer rights to avoid any health risks or economic losses, provide goods and services according to technical standards, avoid exploitation and manipulation of prices, and assure transparency of economic transactions that involve consumers.
- Bylaw No (19) of 2009 for the Palestinian Council for Consumer Protection.
- The Government's consumer protection policy is to ensure public safety and the provision of high quality goods and services at reasonable price.
- Penalties for producers and service providers who breach regulations. For instance, under the Penal Code of 1960, sanctions against spoiled food promoters ranges between 50-300 Jordanian Dinars and the maximum penalty is a prison sentence not exceeding three years.

#### 4.1.3 Economic instruments

- Introducing a certificate for importers and requiring all products sold in the Palestinian Territory to meet Palestinian health standards.
- Raising the standards of Palestinian products and services to make them competitive in international markets.
- Promote ISO certification for public and private sector organizations.

#### 4.1.4 Informative instruments

- PSI disseminates specifications and mandatory technical regulations for products that are made in Palestine or enter to it including food.
- Role of the media in the field of consumer information and consumer protection.
- Consumer awareness programs, particularly in schools.
- Training of teams working in consumer protection.
- All products must have labels detailing ingredients.

# 4.1.5 Environmental impact & issues

Palestinian consumer information instruments and consumer protection measures were effective in helping citizens to reduce their environmental and health impacts reflected by the large number of announcements about the quantities of spoiled food imported from Israel due to difficulty of controlling and supervising the entry of goods.

There are a number of barriers to effectively providing information to consumers and linking information to action. These barriers are related to the growing volume and complexity of goods and environmental information, consumer skepticism about the credibility of most information sources. However, still the total impact of Palestinian household consumption is an important contributor to a number of environmental problems, including air and water pollution.

#### 4.1.6 Example of negative and positive consumption & production practices

- There is a significant increase in the number of announcements about the destruction of spoiled food in large quantities and of different types of food (meat, vegetables, fruit, nuts and canned food). The consumer has primary role in reporting cases of spoiled food purchased by citizens. This role is ramified to information; education and guidance; communicating with the consumer to report cases of spoiled food; investigation, probe and follow-up<sup>48</sup>.
- Dissemination of newsletter byAl-Mustakbal Foundation for Strategic and Policy Studies on consumer protection policies and supportive legal framework standards. The newsletter raises the awareness of Palestinian society about international standards on rights and basic principles to protect consumers, gaps and needed legislative reforms.

Example of negative consumption & production practices:

• The Palestinian judiciary still deals with Penal Code of 1960, which is not deterrent for spoiled food promoters. Under this Act, sanctions against spoiled food promoters ranges between 50-300 Jordanian Dinars and the maximum penalty is a prison sentence not

<sup>&</sup>lt;sup>48</sup>Palestine Economic Policy Research Institute, 2013. Consumer Protections in Palestine in the Food Sector.

exceeding three years. In addition, the Palestinian judiciary - since 1994 until today – did not issue any judgment against any of the spoiled food promoters.

# 4.2 Sustainable life styles and education

Lifestyles serve as "social conversations", in which people differentiate themselves from other people, signal their social position and psychological aspirations. Since many of the signals are mediated by goods, lifestyles are closely linked to material and resource flows in the society.

The Committee for Sustainable Development (CSD) defined sustainable lifestyles as "patterns of action and consumption, used by people to affiliate and differentiate themselves from others, which: meet basic needs, provide a better quality of life, minimize the use of natural resources and emissions of waste and pollutants over the lifecycle, and do not jeopardize the needs of future generations" However, sustainable lifestyles should reflect specific cultural, natural, economic and social heritage of each society.

# 4.2.1 Economic and societal importance

Sustainable lifestyles and education allow meeting basic needs and providing higher standards of living for citizens through changed lifestyles and transforming societies to live in harmony with their natural environment. They advance education for responsible living by focusing on changes in consumers' knowledge, attitudes and behaviors - societal "software" (all the non-material values and norms, institutions and cultures that govern our society), and in the societal "hardware" (all the material basis of society: the infrastructure, technology, products and services, as well as regulatory and economic frameworks). The new societal software and hardware encourage, enable, engage and exemplify more sustainable ways of living. They will entail responsibility and empowerment of individuals to shape their preferences and demands towards more sustainable choices and lifestyles. Hence, citizens will feel the ownership of the better and more sustainable society. Economic importance of sustainable lifestyles includes improved productivity that leads to reduced products prices. Incomes also increase, as well as purchasing power of individuals. Ideally, higher income together with the right information could lead to more sustainable purchasing choices<sup>50</sup>.

# 4.2.2 Institutional settings and regulatory framework

Palestine facilitated the change towards sustainable lifestyles by supporting and enabling the formulation of a new vision for sustainable development and by setting the institutional and regulatory frameworks that encourage and enable sustainable lifestyles as follows:

• The establishment of national authorities designated with sustainable development; such as Ministry of Planning and Administrative Development (MOPAD), Palestinian Water

<sup>&</sup>lt;sup>49</sup> Committee for Sustainable Development, 2004. Overcoming the challenges to researching, promoting and implementing sustainable lifestyles

<sup>&</sup>lt;sup>50</sup>United Nations Environment Programme, 2013. The Marrakish Process. Sustainable Lifestyles and Education for Sustainable Consumption

Authority (PWA), the Environment Quality Authority (EQA), Ministry of Agriculture (MOA), Ministry of National Economy (MNE), Ministry of Tourism and Palestinian Energy And Natural Resources Authority (PENRA).

- The establishment of environmental awareness and education, environmental protection and environmental resources management, and Sustainable Development departments in EQA.
- Increase in the number of environmental NGOs addressing environmental aspects in their programs.
- Palestinian Basic Law that acknowledges a well balanced and clean environment as one of the Palestinian human rights and introduces the principle of sustainability by emphasizing that preservation and protection of the Palestinian environment from pollution, for the sake of present and future generation as a national duty.
- Palestinian Environmental Law No. (7) of 1999 that aims to advance protection of the environment against all forms and types of pollution; protection of public health and welfare; insertion of the bases of environmental protection in social and economic development plans; encouragement of sustainable development of vital resources in a manner that preserves the rights of future generations; protection of bio-diversity and environmentally sensitive areas, as well as improvement of environmentally harmed areas; and encouragement of collection and publication of environment-related information to raise public awareness of environmental problems.
- The Palestinian Environmental Assessment Policy that provides an effective means of integrating environmental factors into project planning and decision-making processes in a manner that promotes sustainable development. The policy objectives include ensuring an adequate standard of life in all its aspects, and not negatively affecting the basic needs, and the social, cultural and historical values of people as a result of development activities; preserving the capacity of the natural environment to clean and sustain itself; conserving biodiversity, landscapes and the sustainable use of natural resources; and avoiding irreversible environmental damage, and minimizing reversible environmental damage, from development activities.
- New Palestinian Water Law of 2014 issued through a presidential decree by a law. It states that PWA will be under the responsibility of the Cabinet umbrella and establishes Water Sector Regulatory Council independent from PWA. The new law promulgates a significant reform in the water sector and aims to develop and manage the Water Resources in Palestine, to increase their capacity, to improve their quality, to preserve and protect them from pollution and depletion, and to improve the level of water services through the implementation of integrated and sustainable water resources management principles.
- Law on Agriculture No. (2) of 2003 that aims at rational and best use of agricultural natural resources in a manner that ensures their sustainability.

- Law on Natural Resources No. (1) of 1999. Article (6) under this Law provides that found natural resources within the Palestinian territories, territorial waters and its pure economic zone shall be regarded as a public property except for the building materials. It shall be permissible for mining purposes, to appropriate the private lands for public benefit."
- Law on the Palestinian Specifications and Standards No. (6) of 2000 that ensures imported commodities are compatible with applicable standards; adopt measurement units; establish examination and standardization laboratories; issue certificates and marks; define the bodies competent of oversight and inspection; and seize incompatible commodities.
- Law of Public Health No. (20) of 2004 that regulates all that is related to public health, including combating diseases and promoting food safety through the provision of information on food safety and oversight; prohibition of using unhealthy food; licensing the use of special foods; examining and analyzing specimens of used food supplies; and damaging food supplies which violate applicable standards.
- Investment Promotion in Palestine Law No. (1) of 1998 that establishes an authority responsible for promoting and facilitating investment in Palestine. It came with a number of incentives including tax and customs exemptions for local and foreign investors. It provides for general guarantees for the projects such as the prohibition of nationalization or expropriation and free financial transfers. It specifically excludes certain high public interest sectors from its application such as electricity, solid waste, and petrol.
- Mejalet Alahkam Ala'adlieh (Ottoman Civil Code) that contains general provisions that must apply when the context is not explicitly covered in any other branch of private law, such as commercial law or labor law. The Mejellah is derived from the basic principles of the Islamic Sharia, and despite its solid background, it fails as an updated and comprehensive piece of legislation. Not having a proper Civil Code to address contracts and business relations has a very negative impact on the protection of the rights of the consumer who is usually the weak party in the contract. Most Arab countries that developed their civil code incorporated the Mejellah, and added chapters and provisions necessary for a comprehensive and updated civil code.

# 4.2.3 Economic instruments

The following instruments specifically targeting the sustainable lifestyles and education are in implementation:

- Value added tax at 16.5% on supplied goods and services.
- Income tax on supplied goods and services.
- Palestinian National Campaign to combat settlement products.
- Polluter Pays Principle that was introduced in the Environment Law and the Water Law.

- Green Loans: Bank of Palestine has started about a year ago, an initiative on Green Loans. The programme provides small loans to farmers and households to encourage the utilization of green technologies. Three types of investments are supported currently under this initiative: solar energy, rainwater harvesting, and grey water treatment. The bank has an agreement with a private company that provides the technical support for applicants, and provides the bank with an estimate of the cost of the investment. The loans are in the range of USD 1,000 to 8,000; and can be repaid within five years. The loan can form up to 80% of the total individual investment. The Bank has not started operating this type of loan in GS due to inability to find a private sector partner yet. The bank is considering reviewing the Green Loan to include other technologies and options.
- Initiatives and systems to reduce, separate, reuse and recycle solid waste and collect gases from sanitary landfills.
- The private on grid connection initiatives.

# 4.2.4 Informative instruments

Information has potential impact on changing the lifestyle of citizens. It is a main driver for changing preferences - "intrinsic motivation", changing the perspective on what is "the right thing to do" resulting in changing norms (through social processes), and changing the understanding of the opportunity set (what can be done and what is preferable to do).

EQA<sup>51</sup>adopts an environmental policy that promotes behavior associated with conservation of environment and raising environmental public awareness through the following instruments:

- Conducting environmental awareness campaigns
- Organizing environmental camps.
- Establishing environmental clubs that promote environmental awareness of school students and teachers.
- Integrating environmental perspective into educational curricula throughout education phases.
- Spreading the culture of environmental education.
- Encouraging individual and group advocacy initiatives that aim to protect environment.
- Designing and disseminating information materials (pamphlets, brochures, posters, fact sheets, position papers, press releases).

<sup>&</sup>lt;sup>51</sup>Environmental Quality Authority, 2014. Environmental Sector Strategy (2014-2016).

- Promoting environmental research to increase community knowledge and advance informed and knowledge led decision making.
- Promoting the use of environmental media tools including radio prod-cast programme (radio spots, radio sessions), TV sessions, social media, documentary films, and SMS messages.
- Environmental resource centers to serve environmental training, educational and awareness purposes.
- PCBS publications on environmental situation
- Websites of the environmental national authorities and civil society organizations.

# 4.2.5 Environmental impact & issues

Environmental impacts and issues<sup>52</sup> related to lifestyles in Palestine include:

- Water sources degradation: Groundwater from mountain aquifer in the West Bank and coastal aquifer in Gaza Strip, is currently the main water source in Palestine. Annual renewable groundwater is 669 mcm in West bank and 45 mcm in Gaza Strip. The actual annual consumption from the aquifer amounts to 167 mcm, subjecting it to an excessive attrition. There is a wide gap between water supply and demand in light of the growing population and urbanization and limited water sources. Other problems include contaminated groundwater because of the leakage of untreated wastewater, solid water leachate, and agricultural activity, particularly in the Gaza Strip.
- Solid waste: Collection and disposal of SW from residential areas, health care centers and industrial establishments are inadequate. Solid waste is transported and dumped on landfills, including Zahrat al Finjan in Jenin, Jericho controlled landfill, Al Menia sanitary land fill in southern West Bank, and Juhor ad Dik in Gaza, or on irregular dump sites causing pollution to groundwater and risks to public health. The Israeli obstacles to construct the new Ramallah sanitary landfill and the Israeli practices of disposing Israeli waste, including hazardous waste in Palestinian areas, have further aggravated the health and impact of solid waste problems.
- Wastewater: Collection and treatment of wastewater in Palestine are inadequate. Only 52.1% of Palestinian homes are connected to sewerage networks including 83.8% of Gaza households and 35.5% of West Bank households.
- Hazardous wastes: Collection and disposal of hazardous waste are inadequate and unsafe.
  Hazardous wastes in Palestine include electronic waste, hazardous agricultural waste,
  industrial waste, and medical waste, including waste produced by laboratories. These also
  include corpses of animals infected with communicable diseases, manure of infected

<sup>&</sup>lt;sup>52</sup>Environmental Quality Authority, 2011. Environment Sector Strategy 2011-2013.

animals, batteries, asbestos, etc. With the exemption of the Gaza sanitary landfill, Palestine lacks a dump sites designated for hazardous wastes.

- Biodiversity: Biodiversity in Palestine are severely threatened and endangered including unique species of wild and domesticated animals and plants and their genetic variety and Habitats due to negative human behaviors of uncontrolled forms of hunting, plant collections, overgrazing, and cutting trees as well as the Israeli aggression against Biodiversity. Therefore, Palestine has requested the accession of Convention on Biological Diversity (CBD) to advance the conservation and sustainable use of biological diversity components and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources, and by appropriate funding.
- Desertification and soil contamination: Overgrazing, intensive agricultural expansion and
  urban sprawl have deteriorated the plant coverage, biodiversity, and environmental system
  and increased soil erosion. They caused also soil contamination due to discharging
  wastewater and random dumping of solid waste in valleys and farmlands as well as of
  excessive use of pesticides and chemical fertilizers. Using brackish water in agriculture
  caused soil salinisation. Additional main cause of the soil contamination is the effluents of
  the Israeli colonies in the shape of solid and liquid wastes.
- Climate change: It is expected that rainfall will drop and temperature rise, posing a threat of deteriorated drought and increased water scarcity in Palestine. It will affect land and further desertification, leading to a drop in the agricultural sector productivity, more poverty, and social instability.
- Air pollution: Palestine suffers from air pollution, resulting from the population increase, industrial growth, and trans-boundary pollutants. Construction works, transportation and industrial installations are the major source of noise in city centers. 53.
- Marine environment and coast: the coast and maritime environment in Gaza Strip suffer from several environmental hazards, including the discharge of wastewater and solid waste into the sea, excessive fishing, unregulated sand extraction, and erosion.

# 4.2.6 Example of negative and positive consumption & production practices

• "Safe and Productive use of grey and wastewater and Integrated Production and Protection Management" project implemented by PARC and financed by ICARDA during 2010 and 2011. The project targeted small scale farmers in the Gaza Strip. It included community-based interventions using treated wastewater for diversified cropping systems, community-based interventions using greywater in home gardens and farming, and demonstration and learning sites (Farmers Field School). The crops irrigated with treated wastewater and greater were almost olive and citrus. The project outcome included (8) small scale farmers have changed their attitude and showed acceptance of reusing treated wastewater and

<sup>&</sup>lt;sup>53</sup>Palestine, 2011. Palestinian National Plan 2011-2013. Environment Sector Strategy.

greywater in irrigating fruitful seedlings especially after sampling of soil and water and exchanging practical knowledge with Jordanian farmers. Thus, the project reduced the pressure of using freshwater resources in agriculture by supporting the production of treated wastewater and greywater. The project contributed in reducing the cost of farming and increasing crop productivity and income.

- Recycling: A new project in recycling in cooperation between the Joint Service Council in Jenin Governorate with a private sector to recycle more than 400 tons of incoming waste to the sanitary landfill. The initiative is still at its early stages of operation.
- Recycling in Hebron should be indicated (cartoon, tires,..)
- Crushing the construction and demolishing waste and use it to cover the solid waste on daily bases in El Menia sanitary landfill.
- Composting initiatives in Gaza and West Bank as well.
- Rain water harvesting projects, either the large (dams) or small scale, in addition to the pilot ones.
- Initiatives of renewable energy.
- JICA in cooperation of PENRA installed solar panels for Jericho agro industrial park.

Example of negative consumption & production practices

• The transportation and mobility in Palestine reflects unsustainable lifestyle and considered as sustainability hotspot. The number of licensed vehicles in Palestine is 217130 vehicles (144,244 in West Bank and 72,886 in Gaza Strip). The licensed private cars constitute 74.1% of the total cars indicating the citizen attitude to own a private car. This has contributed negatively to increasing air pollution and accidents (7842 in 2013 in West Bank only). The number of casualties in 2013 was 7,753. Those slightly injured formed 86.5% out of the total injured persons, while the fatally injured formed 1.8% from the total injured in 2013<sup>54</sup>.

# 4.3 Sustainable public procurement

Sustainable public procurement (SPP) constitutes a significant lever for governments to accelerate the shift towards more sustainable consumption and production patterns, and more generally to contribute to the achievement of sustainable development goals. There is a clear distinction between SPP and green public procurement (GPP). Green procurement is the selection of products and services that minimize environmental impacts. In addition to

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<sup>&</sup>lt;sup>54</sup>Palestine Central Bureau of Statistics, 2014. The Annual Report on Transportation and Communication Statistics in Palestine, 2013.

environmental concerns sustainable procurement also incorporates social considerations. Hence sustainable procurement is defined as a process "whereby organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst minimizing damage to the environment".

# 4.3.1 Economic and societal importance

Involvement of the governmental institutions in SPP enables them to use public procurement to achieve desirable environmental and social outcomes as well as cost effectiveness. Governmental institutions can save money compared to a business as usual scenario as some "greener" products and services are less costly in terms of their use, maintenance and disposal despite higher upfront investment costs.

Governments as customers can make a difference in environmental outcomes by choosing environmentally friendly options, as opposed to classical options. The extent to which public procurement can deliver direct environmental and social improvements through purchases from particular industries or sectors will depend on the government market share in those sectors, as well as on the environmental and social impacts of the targeted sectors.

Governments can also use their market power to influence producers to shift more rapidly to cleaner technologies. By lowering the costs of clean technologies due to scale economies, this can also help private consumers shift to environment-friendly products. In many industries, it may prove more economical to "green" a whole line of products rather than entertain two separate lines of products, especially when public orders of the green version of the products make up a substantial share of total sales.

Additionally, public demand for more sustainably produced goods and services can also have desirable indirect effects, such as raising consumer awareness about the environmental and social implications associated with different types of purchases. Governments wanting to promote more environmentally friendly consumption patterns may find it necessary and useful to lead by example by putting public procurement practices in line with their publicly advertised environmental goals.

#### 4.3.2 Institutional settings and regulatory framework

• Palestine enacted a public procurement Law in 2011 reflecting, to a large extent, the essence of internationally recognized good practice as embodied in the United Nation Commission on International Trade Law (UNCITRAL) Model Law on Public Procurement (1994) towards achieving good governance and sustainable development for Palestine. The Public Procurement Law by Decree of 2014 was signed by the President to maximize the benefit of public expenditure and to promote the principles of transparency, integrity, equality, and environmental sustainability. The law for public procurement covers purchase processes for all ministries, municipalities and organizations of Palestine, who use public money to procure work contracts, supplies and services by way of bids and tenders. This Law regulates the development, approval, implementation and control of the Public Budget

<sup>&</sup>lt;sup>55</sup>United Nations, 2008. Sustainable Development Innovation Briefs. Issue 5, August 2008

throughout various phases as well as Palestine's financial affairs. Accordingly, the Law defines responsibilities for the oversight of ministries and public bodies; adherence by ministries to the Budget Department's directives; ministries' responsibility for accurate information submitted to the Budget Department; and provision of requested information to the Budget Department. Additionally, the Law provides that ministries and government bodies must present a comprehensive report and analysis to the Council of Ministers on the general financial situation. It also defines responsibilities in relation to the budget implementation and abidance by allocations<sup>56</sup>.

- To implement public procurement law, a Higher Council for Public Procurement Policies
  was established in 2012, composed of representatives from various ministries, private sector
  and academia to carry out key functions of top- down control of procurement processes and
  issue standardized form of contracts and tender documents and monitor all public
  procurement processes. By-laws have been issued in 2013 to make the Council operational.
- Palestine enacted the Law of Public Supplies No. (9) of 1998. This Law identifies all that is related to public supplies at departments in public institutions. Supplies are the "movable property necessary for any department and the maintenance and insurance of this property, and the services needed by the department". Additionally, the Law regulates the Department of Public Supplies and its responsibilities; the process of purchase and relevant procedures; and the administration and oversight of public supplies. Environment is not an emerging issue in all of these laws. More over EQA is not represented in any of such councils and committees.

# 4.3.3 Economic instruments

- Joint procurement by public administration authorities through Ministry of Finance can increase bargaining power and help reduce prices associated with relatively more expensive green technologies and products, as well as administrative costs per contract.
- Budget systems and accounting practices. The budget and accounting frameworks under which public institutions operate can lead to economic efficiencies in public expenditure management as national sector development plans extend for three years.
- Giving priority to environment-friendly products such as installation of renewable energy system.
- Undertaking evaluation for projects using five evaluation criteria. The impact and sustainability criteria ensure that project mainstreams environmental protection and has no negative impact on the environment during project life cycle management.

# 4.3.4 Informative instruments

<sup>&</sup>lt;sup>56</sup>http://web.worldbank.org/

- Awareness raising (for procurement staff and suppliers) and training activities to help change procurement culture and behavior, assist procurement officials in making effective decisions, and encourage end users to make a sustainable use of products.
- Issuing mandatory technical regulations for domestic products to ensure their protection for public health and environment during production life cycle.

# 4.3.5 Environmental impact & issues

The public procurement accounts for about 10 percent of GDP (about 1127 million USD in 2012<sup>57</sup>) indicating considerable size of procurement market shares. Despite the modern enacted Public Procurement Law and existing institutional settings, Palestine has been inadequately engaged in GPP or SPP and thus slowing the use of public procurement to achieve desirable environmental, social and economic benefits. The current procurement practices cause environmental degradation in terms of increasing greenhouse gas emissions and air pollutants; energy and water overuse; and generation of solid waste and hazardous waste. They also result in social negative impacts including gender inequity and poverty, and disrespect for core labor standards. The economic negative impacts are that products and services are more costly in terms of their use, maintenance and disposal. Additionally, Palestine could not use its market power to influence producers to shift more rapidly to cleaner technologies.

# 4.3.6 Example of negative and positive consumption & production practices

- Palestine installed renewable energy for Jenin Hospital in al-Shajaiyeh neighborhood, eastern Gaza City and the most recently Photovoltaic electricity (PV) electrification project electrifying a Palestinian village Atouf in West Bank by PV centralized power system. The village includes 25 houses, school, and clinic with power capacity about 24 kWp. Another Project for street lighting and electrification of public sites at Jib Aldeeb community.
- Municipalities integrated pilot renewable energy projects within their strategic development and investment plans.
- PENRA has signed an agreement with the Local Company for Renewable Energy and Light on 18/12/2014 providing the company a temporary license to produce 3 MW of electricity in Tubas using solar energy system.
- Palestine has used public procurement to pursue social goals to reduce unemployment, raise labor standards, provide employment opportunities for disabled persons, and promote gender equality.
- Budget systems and accounting frameworks for national development sectoral plans extend for three years (2014-2016) which can lead to economic efficiencies in public expenditure

<sup>&</sup>lt;sup>57</sup>Palestinian Investment Promotion Agency. http://www.pipa.gov.ps/economic indicators.asp

management through procuring input resources with lower life-cycle costs and realizing medium and long term outcomes.

Example of negative consumption & production practices

- The governmental trend in procurement of motor vehicles, office equipment, computers, furniture, and paper without adopting procurement criteria that encourage the use of energy efficiency technologies and recycled products and paper.
- The fuel subsidies could be considered as one of the negative practices.

# 4.4 Sustainable buildings and construction

# 4.4.1 Economic and societal importance

Buildings are responsible for 40% of annual energy consumption and up to 30% of all energy-related greenhouse gas (GHG) emissions. The building sector has also been shown to provide the greatest potential for delivering significant cuts in emissions at low or no-cost or net savings to economies. Collectively the building sector is responsible for one-third of resources consumption, including 12% of all fresh-water use, and produce up to 40% of our solid waste. The sector also employs, on average, more than 10% of workforce. With urbanization increasing rapidly, building sustainably is essential to achieving sustainable development<sup>58</sup>.

# 4.4.2 <u>Institutional settings and regulatory framework</u>

- A Higher Council for Green Buildings was established in Palestine. This council includes members of various ministries and national authorities, such as the engineering association, various universities, the Palestinian Standards Institution, Palestinian Federation of Industries, and the representatives of Palestine in the energy committees in the Arab engineers Association and World Federation of Engineering Organizations. The objective of this council is to promote green buildings in Palestine. In addition, an energy efficient building code and a guide on the design of energy conservation buildings has been developed in Palestine.
- Formulating draft laws to regulate and stimulate growth in housing sector including the Lease and Tenancy Law and Mortgage Law. An Advisory Council for construction sector and a laboratory for testing construction materials were established to advance developing locally manufactured materials and improving their quality. In addition, standards for public-private partnership were set to develop new housing projects<sup>60</sup>.

<sup>&</sup>lt;sup>58</sup> United Nations Environment Programme, 2012. Sustainable Buildings and Climate Initiative

<sup>&</sup>lt;sup>59</sup>Palestine, 2012. Sustainable Development under Israeli Occupation: Achievements and Challenges

<sup>&</sup>lt;sup>60</sup>State of Palestine, 2014. National Development Plan 2014-2016. State Building to Sovereignty.

• Developing housing sector policy and associated measures including a vision that is "sustainable Palestinian human settlements, with decent housing for all Palestinian households" and priority policies that promote a new sustainable growth model for Palestinian human settlements in Palestine that recognizes the country's limited land and natural resources and future needs; support the development of construction sector including new construction patterns and standards; and cooperate with the construction industry to introduce and promote new technologies, including materials for green building and greater energy efficiency. The policies provide measures for potential green building and planning at the level of Palestinian human settlements including higher-density and compact settlements, good external and internal connectivity of housing to a hierarchy of roads and sidewalks and sufficient space for green areas and recreation spaces in land use plans. At the leveling of buildings, measures include disaster risk reduction, water saving devices, renewable energy forms, green roof, and environmental retrofitting<sup>61</sup>.

# 4.4.3 Economic instruments

- Creating an affordable housing fund, capable of attracting domestic and international resources, which will assist lower-income households to access affordable and sustainable housing through a combination of own savings and targeted (individual) loans and grants. The housing fund is oriented primarily to help needy households afford existing housing.
- Subsidies are required to realize affordable and sustainable housing. Subsidies can be in different forms, including among others targeted individual subsidies for vulnerable households, on the basis of transparent criteria, and/or international donor or private sector funding for off-site infrastructure for housing projects.
- Broadening support to housing cooperatives including exemption of fees and, where possible, with the opening of roads and/or the provision of internal roads. In addition, authorities could consider other forms of support to broaden the appeal of cooperatives to lower-income groups, such as incentivizing lower-income families to form housing cooperatives, through technical assistance, and making land available for cooperatives formed by lower-income families.
- Supporting innovative housing designs: The MoPWH and other Ministries may consider supporting research and pilot projects on innovative housing designs by architects, contractors and students that reduce housing costs and the costs of housing materials and energy. Innovation may be spurred by the organization of design competitions.
- Partial self-build housing options: The government introduces partial self-build housing, where a basic house (frame, walls, and roof and service connections) is provided and where households complete the rest of the house by themselves, as and when their finances permit. Partial self-build housing options allow the poorest families to afford a basic and sustainable house through the deployment of their own labor (and sometimes also community labor).

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<sup>&</sup>lt;sup>61</sup> Palestine, 2013. National Housing Policy

#### 4.4.4 Informative instruments

- Developing engineering skills and training construction sector stakeholders on green building is taking part in Gaza Strip as part of some projects.
- The integration of the concept of sustainable buildings into vocational training programs.
- Developing and disseminating, through research and training, appropriate and cost-effective methodologies and technologies for green building, natural disaster mitigation, retrofitting/reconstruction of buildings, vulnerability and risk reduction, and sustainable planning practices for Palestinian human settlements.

# 4.4.5 Environmental impact & issues

Despite the advanced vision, priority policies and guiding measures for green building and planning, the Palestinian construction sector has relatively little experience with green building technologies: at present very few buildings in Palestine are being retrofitted or constructed with energy efficiency, water savings and green roof measures. This has resulted in increased demand for water and energy, water pollution, increased generation of waste, Greenhouse Gas (GHG) emissions, increased utility bills for Palestinian households and increased reliance of Palestine on imported materials, power and water.

# 4.4.6 Example of negative and positive consumption & production practices

- The Palestinian Museum has been designed and implemented according to global green building standards and has rendered a good example for SCP. The Museum hopes to provide a model for environmental sustainability in Palestine and an exemplary healthy environment for Museum staff and visitors alike. Nestled among Birzeit's rolling hills and cascading terraces, the Palestinian Museum will open its doors in 2016 as a physical and virtual space for celebrating, preserving, and exhibiting the past, present and future of Palestine.
- UNRWA undertakes an innovative project to construct an environmentally friendly, zeroemission 'green school' in Khan Younis, southern part of Gaza Strip. The school was designed by Italian architectural firm specializing in green buildings and sustainable urban planning. The concept of the 'green school' refers to a stand-alone school building, which relies only on renewable, free, locally available resources (rainwater, solar and ground energy) instead of being hooked up to local water networks and energy grids. The design of the project promotes the use of affordable and locally available materials, as well as simple construction systems. The green school will provide more comfortable learning conditions,

sustainable access to electricity and improved access to clean water for over 2,000 childrenP61F<sup>62</sup>.

- PENRA has implemented Palestine Solar Initiative (2012—2015) in cooperation with PEC. PERC and distribution companies with financial support from the EU. The initiative's target has been to achieve 5 MW of solar PV by 2015 through installing panels on the roof tops of 1,000 Palestinian households in residential areas throughout the West Bank. It included installing 5 kWp PV panels on the rooftops of Palestinian households throughout the West Bank. Each installation of one kWh can annually generate 1,500 kWh to be injected directly to the Grid without any storage system and through fixed FIT system grid. The initiative also included capacity building and training component for all the relevant stakeholders and the preparation of required detailed studies and documents necessary for the implementation the overall renewable energy strategy. The benefits of the initiative included spreading the technology and know-how within the Palestinian society, encouraging the households to use Renewable Energy technologies, namely PV panels which will drive their prices down, achieving environmental benefits resulting from the reduction of CO<sub>2</sub> emissions, achieving political benefits through gaining independence, building the Palestinian people Renewable Energy knowledge and capacity to be able to produce PV panels locally in the future, and clean energy source<sup>63</sup>.
- UNDP's initiative on renewable energy in Gaza with financial support from OPEC Fund for International Development (OFID) to support the education, health and water sectors in the Gaza Strip with alternative solutions using renewable energy (PV Modules) through the provision of alternative energy during power cuts, reduction of CO<sub>2</sub> emissions and fuel consumption resulting from operating power generators when power cuts are in effect and raising the standards of living in green environment without pollution. Solar photovoltaic (PV) panels were used as they offer a cost-effective and environmentally friendly solution for rural and remote areas. Solar photovoltaic (PV) cells were utilized to reduce the electricity consumption, save energy and cost as well as maintain a green environment in four schools, one water well and two maternal clinics in Gaza Strip<sup>64</sup>.
- Outpatient clinics, schools and remote Bedouin residential areas from public electricity networks in the West Bank use solar energy to generate and supply electricity. They include Imneizil village in the southern Hebron governorate and Atuf village in northern West Bank. An electricity generation project using wind power is presently being in place at the Al Ahli Hospital in Hebron city producing 700 kilowatts<sup>65</sup>.
- Developing green jobs in the construction sector in Gaza Strip. These jobs were designed with the purpose to utilize more than 90% of recyclables in construction and renovation of

<sup>65</sup> Palestinian Energy and Natural Resources Authority, 2011. Energy Sector Strategy 2011-2013.

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<sup>&</sup>lt;sup>62</sup>United Nations Relief and Working Agency, 2014. UNRWA Leads the Way with Region's First 'Green School'. http://www.unrwa.org/newsroom/press-releases

<sup>&</sup>lt;sup>63</sup>The European Neighbourhood and Partnership Instrument (ENPI). Paving the Way for the Mediterranean Solar Plan. Sustainable Policy Road Map, Palestine.

<sup>&</sup>lt;sup>64</sup>United Nations Development Programme, 2012. Press Release, Increasing access to sustainable energy

some buildings destroyed during the Israeli aggressions on Gaza Strip by the as raw materials<sup>66</sup>.

• Using the construction and demolishing waste as well as the excavation wastes to construct roads in Ramallah, Betunia, and El Bireh Municipalities.

Green Energy initiatives have been conducted as follow<sup>67</sup>:

- 1. Energy conservation initiatives: energy auditing on big industry and some governmental buildings has been conducted; a total 15 locations were subjected to energy audits by PENRA to identify strategies to conserve energy. Furthermore, the Municipal and Development Lending Fund (MDLF) have introduced as part of its Municipal Development Programme support to municipalities to pilot reduction of operational costs of municipalities by reducing and rationalization of energy use. An audit for four municipalities was conducted and complemented with measures to improve efficiency.
- 2. Electrification and lightning initiatives: a good example of this type of initiative is emanation of Wadi an-Nar street with solar energy, the road that links the southern and northern West Bank. There are other initiatives of electrifying rural villages with solar energy or with hybrid wind-solar energy technology.
- 3. Providing soft loans by the Palestinian Housing Council to support the low income persons.

# Example of negative consumption & production practices

Tradition of full self-build housing by families mainly in rural areas based on low quality building standards that lack green building measures of saving water and energy.

# 4.5 Sustainable tourism, including ecotourism

The World Tourism Organization defines sustainable tourism as "tourism which leads to management of all resources in such a way that economic, social and aesthetic needs can be filled while maintaining cultural integrity, essentials ecological processes, biological diversity and life support systems".

UN defined sustainable tourism as: "Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities".

<sup>69</sup>Green Economy and Trade

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<sup>&</sup>lt;sup>66</sup> Economic and Social Commission for Western Asia (ESCWA), 2013. Green Economy Initiatives Success Storiesand Lessons Learned in the Arab Region.

<sup>&</sup>lt;sup>67</sup>Palestine, 2012. Sustainable Development Under Israeli Occupation: Achievements and Challenges.

<sup>&</sup>lt;sup>68</sup>McKercher, B., 2003. Sustainable Tourism Development – Guiding Principles for Planning and Management

The International Ecotourism Society (TIES) defines ecotourism as the responsible travel to natural areas that conserves the environment and sustains the well-being of local people. The International Union for the Conservation of Nature (IUCN) defines ecotourism as the environmentally responsible travel and visitation to relatively undisturbed natural areas, in order to enjoy and appreciate nature (and any accompanying cultural features – both past and present) that promotes conservation, has low negative visitor impacts, and provides for beneficially active socio-economic involvement of local populations<sup>70</sup>.

# 4.5.1 Economic and societal importance

Tourism sector has significant potential as a driver for growth for the national economy contributing around14% in the Palestinian GDP<sup>71</sup>. Sustainable tourism ensures viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to their poverty alleviation. It respects the socio-cultural values of host communities, conserve their built and living cultural heritage and indigenous knowledge and skills, and contribute to inter-cultural understanding and tolerance.

Sustainable tourism also improves the local human resource capacity and invigorates foreign direct investment and foreign exchange.

#### 4.5.2 Institutional settings and regulatory framework

- The main tourism institutions/ agencies in Palestine include Palestinian Ministry of Tourism and Antiquities (MoTA), The Arab Hotel Association, The Holy Land Incoming Tour Operators Association, the Tourism Board, Municipalities and chambers, and Palestinian Central Bureau of Statistics.
- One of the main recent policy initiatives was the 2010 decision to establish PALESTINE TOURISM BOARD (PTB) in the form of a public-private partnership aiming to lead the marketing and promotion of 'Destination Palestine'.
- MoTA has recently (2012) announced the re-establishment of an advisory board by Presidential decree.
- The tourism sector is currently regulated through a main Tourism Law and five regulations (on travel agents, tourist guides, hotel and restaurants, tourist shops and parks). As tourism regulations are perceived as broadly outdated (dating back to Jordanian rule), a new draft law is being discussed with different stakeholders (private sector, government and neighboring countries experts). The new draft law addresses the institutional aspects of training people to work in the tourism sector, lay out curricula, and provide for more

<sup>71</sup>International Chamber of Commerce- Palestine, 2013. Palestine Tourism Sector.

<sup>&</sup>lt;sup>70</sup>UnitedNations Environment Programme, 2001. Industry and Environment. Volume 24 No. 3-4 July – December 2001

extensive mandatory licensing and membership in professional associations for all / most tourism operators. The current lack of regulation to ensure quality poses risks for the State of Palestine's reputation as a tourism destination. One of the shortcomings of the existing Tourism Law that the new law will address is the poor coverage of punitive measures and enforcement<sup>72</sup>.

- Palestine set a policy to promote tourism that is continue ongoing rehabilitation of archeological and cultural heritage sites, establish tourism information centers at key locations, and sponsor national and international marketing campaigns to raise awareness of Palestine's rich heritage. 73.
- The Plan of Action of MoTA for 2014 promotes and facilitates the private activation and utilization of historical, natural and cultural sites (including through hybrid forms such as hotels, restaurants, event venues etc.) through proactive tendering of concessions, facilitated licensing, cooperation of antiquities authorities, subsidies, tax concessions, promotion of alternative itineraries, marketing etc. This will inject private sector investment, know-how and creativity into the rehabilitation, development and activation of neglected / underutilized sites. MoTA will establish a National Parks Authority to be responsible for keeping, maintaining and selling / licensing experience and services at designated natural and historical sites and parks. Entry fees and the running / licensing, food and board, and other services including specific activities such as theme games, will enable sustainability of the sites. MoTA promotes the consideration of sustainable tourism in rural and urban planning. Where appropriate, designated tourism areas can be established, guiding planning and construction / landscaping activity. The systematic involvement (consultation) of tourism stakeholders at both the local governance level (planning, licensing) and the national level (policy, legislation) is essential.
- MoTA undertakes the development of sustainable tourism in Jericho<sup>74</sup>.
- Tourism police.

#### 4.5.3 Economic instruments

- Entry fees
- Palestine develops historical, cultural, natural and religious sites.
- Palestine advances proactive tendering of concessions, facilitated licensing, subsidies, tax concessions, and marketing.
- Palestine develops alternative types of tourism beyond classical Christian pilgrimage / Holy
   Land tourism including Islamic heritage, business visitors (especially diplomatic / advisory

<sup>74</sup>Palestinian national Authority, 2009. Ending the Occupation, Establishing the State

<sup>&</sup>lt;sup>72</sup>The State of Palestine, 2014. National Export Strategy. Tourism, Sector Export Strategy (2014-2018)

<sup>&</sup>lt;sup>73</sup>Palestinian National authority, 2013. National Development Plan 2011-2013.

travelers), ecological, cultural, political / solidarity, medical (dental), recreational (leisure, sports & entertainment).

# 4.5.4 Informative instruments

- Awareness camps for tour guides
- Awareness-raising campaigns for local communities.
- Training and capacity building of tourism private sector.
- Information materials
- Heritage exhibitions
- Tourism portal VisitPalestine.ps<sup>75</sup>.
- Commercial diplomacy through the network of Palestinian embassies and missions abroad
- Technological tools such as websites, social media and electronic systems.
- An interactive web-based wiki-site opens to providers.

# 4.5.5 Environmental impact & issues

Despite Palestine efforts to develop the tourism sector, progress is slow towards achieving sustainable tourism. Tourism is mostly pilgrimage driven as diversifying tourism offerings mainly ecotourism are challenged with the restrictions on movement and access make managing tourist flow and routes difficult.

#### 4.5.6 Example of negative and positive consumption & production practices

Example of positive consumption & production practices

• ARIJ selected Wadi Al Bathan in Nablus through intensive consultations to develop natural landscape ecotourism. ARIJ built strong ties with many international, regional and Palestinian institutions, NGOs and local communities in order to enhance and establish joint cooperation in various fields. In Wadi-Al-Bithan, tourism development has occurred mainly at small scale and through private sector and local communities who offer most of the services available to the visitors who are mainly local and Palestinian citizens of Israel. ARIJ has focused on preserving cultural heritage, indigenous knowledge and natural heritage and documenting biodiversity at Wadi Al Bathan site. In addition, ARIJ provided

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<sup>&</sup>lt;sup>75</sup>Alternative Business Solutions website www.visitpalestine.ps

capacity building for local communities and private sector in regards to the site but also with regards to building their skills for offering these services to the tourists.<sup>76</sup>.

• EQA carried out a rapid assessment for (22) natural reserves, who were handed over to Palestinians according to Oslo agreement, in order to analyze their status. EQA conducted also a thorough survey and a management plan in 2014 for Wadi El Quf natural Reserve towards advancing natural reserves and ecotourism.

Example of negative consumption & production practices

• Wadi Gaza is the only nature reserve site in Gaza Strip. It is rich of historical and cultural heritage; many ruins and sites within the area date back to the Bronze Age. It has the potential to be a premium tourism zone as well as an important historical asset to the history of Palestine. It is also identified as of importance to the international and Mediterranean fauna and flora biodiversity by several organizations. It is also a national and local imperative as the only coastal wetland in the Gaza strip and one of the biggest in Palestine. It is unique at the national level and retains outstanding natural landscape features. It was declared as a nature reserve by a presidential decree in June, 2000. The national efforts undertaken were inadequate to conserve the wetland and halt the degradation of natural resources and biological diversity in Wadi Gaza. However, Wadi Gaza has been undergoing continual process of environmental and urban degradation including urban sprawl; industrial growth; disposal of sewage and solid waste; pesticides; random hunting birds; overgrazing, pollution of soil, air, groundwater, and seawater, and susceptible to man-made floods caused by Israelis.

The environmental degradation of Wadi Gaza has led to severe public health hazards, economic losses and damages to cultural heritage.

### 4.6 Sustainable agriculture and food systems

Sustainable agriculture generally refers to the capacity of agriculture over time to contribute to overall welfare by providing sufficient food and other goods and services in ways that are economically efficient and profitable, socially responsible, and environmentally sound<sup>77</sup>. Sustainable Food Systems improves resource use efficiency and reduce the pollution intensity of food systems from production to consumption, while at the same time addressing issues of food and nutrition security<sup>78</sup>.

### 4.6.1 Economic and societal importance

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<sup>&</sup>lt;sup>76</sup>The Applied Research Institute-Jerusalem (ARIJ), 2012. Annual Report 2012

<sup>&</sup>lt;sup>77</sup>Sustainable Development Innovation Brief Issue 7. May 2009. The contribution of sustainable agriculture and land management to sustainable development. New York: UNDESA-DSD.

<sup>&</sup>lt;sup>78</sup>The FAO-UNEP Sustainable Food Systems Programme, 2010.

The Palestinian agriculture and fisheries sector has significant potential as a driver for growth for the national economy contributing by 3.9% in the Palestinian GDP in 2014<sup>79</sup>. Sustainable agriculture and food systems increase agricultural productivity; achieve maximum sustainable yield in farms and fisheries; and improve efficiency of resource use (e.g. more crop per kg of nutrients, more crop per drop of water, more crop per unit of energy, higher productivity per unit labor); increase incomes for agricultural households and decent rural employment opportunities; make food production systems more resilient to shocks and changes; reduce post-harvest losses and waste and ensure that agricultural commodity prices reflect social and environmental costs; promote food security concerns; promote local and regional agricultural markets; invigorates indigenous and local knowledge and practices in agriculture; and increase supply, nutritional value and safety, availability and distribution of food through support to diversified, gender and nutrition- sensitive, human rights- based, sustainable food systems<sup>80</sup>.

# 4.6.2 <u>Institutional settings and regulatory framework</u>

The Palestinian agriculture sector institutional settings and regulatory framework include the following<sup>81</sup>:

- A wide range of institutions constitute Palestine's agriculture sector including the Ministry of Agriculture (MoA); National Centre of Agricultural Research; agricultural commodity boards as semi-government bodies (Palestinian Olive Oil and Olive Board, Milk Board, and Grapes Board); 35 Palestinian and 15 international NGOs and civil society organizations; The Palestinian Network of Agricultural Work Organizations (SHAM); umbrella organizations include the Palestinian Rural Development Union (Land-Palestine), the Palestinian Environmental NGOs Network (PENGON); 180 agricultural cooperative societies; and donors.
- The Ministry of Agriculture (MoA) develops policy for and regulates the agriculture sector and supervises/delivers a range of basic agricultural services.
- The future vision of agriculture sector is a sustainable and feasible agriculture that is capable of achieving food security, competitive in the local and foreign markets through an optimal use of resources as part of comprehensive development, and cementing the bonds and sovereignty of Palestinians over their land, towards building the state.
- The agricultural legal framework is constituted from the Agricultural Law No. (2) of 2003, in addition to the (11) bylaws. It regulates the agricultural activity and covers all aspects of agricultural development. Still, there is a dire need to enact many other regulations and basic directives in order to complement the legal framework. Beside the Law on Agriculture, a number of laws bear an immediate relation to the agricultural sector, including the Law on Natural Resources No. (1) of 1999; Water Law No. (3) of 2002; Environment Law No. (7) of 1999; Law of Public Health No. (20) of 2004; Law of

<sup>81</sup>Palestinian Ministry of Agriculture, 2010. Agriculture Sector Strategy "A Shared Vision" 2011-2013

<sup>&</sup>lt;sup>79</sup>Palestinian Central Bureau of statistics (PCBS), 2014. Press Report Of Economic Forecasting For 2015.

<sup>80</sup> United Nations Environment Programme, 2013. TST Issues Brief: Sustainable Agriculture

Charitable Associations and Civil Society Organizations No. (1) of 2000; Budget Law No. (7) of 1998; Law of Civil Service No. (4) of 1998; Law of Public Supplies No. (9) of 1998; Presidential Decree No. (2) for the year 2011 on the amendment of the Promotion of Investment in Palestine Law No. (1) of 1998; Law on the Palestinian Specifications and Standards No. (6) of 2000; Law of Cooperative Societies No. (17) of 1956 in force in the West Bank; and Law of Cooperative Societies No. (24) of 1933 effective in the Gaza Strip; Law of Lands of 1857, and Law of Income Tax No.(17) of 2004.

- The present Law consists of 85 articles divided into 5 main titles as follows: Agricultural wealth (I); Genetic resources and seed production (II); fruit trees (III); Plant Protection (IV); Livestock and Poultry (V). Part I includes chapters on Agricultural holding; protection of nature and agricultural land and soil conservation; Forestry and Forests; pastures; and fertilizers. Part II stipulates the seed production and plant propagating material; genetic resources; and the regulation of nurseries. Part IV provides for pest control; pesticides; quarantine; and agricultural water. Part V is concerned with animal feed; animal farms and beekeeping; animal diseases; quarantine; slaughterhouses; fisheries; agricultural products; sanctions and always sets forth some final provisions.
- The National Plan to conserve the natural resources and historical sites, which defined the agricultural land as a high sensitive land that should be conserved.

### 4.6.3 Economic instruments

- The Palestinian Cabinet of Ministries decision to exempt farmers from the value added tax.
- Provide incentives and support farmers in the vicinity of settlements.
- Provide investment incentives and promote investment in agriculture and related services.
- Provide incentives to create enabling environment for production of export cash crops and commodities that will replace imports.
- Providing loans from REEF Finance
- Certifying agricultural cooperatives by the 'Global Gap'.
- The national Agricultural Insurance System which was recently adopted.

# 4.6.4 <u>Informative</u> instruments

- Training and awareness-raising sessions for farmers, recently graduate agronomists, and staff of agricultural civil society organizations.
- User's guide manual for the production of crops under Integrated Production & Protection Management (IPPM) prepared by PARC.

- Applied studies and researches on experimental farms (new environment-friendly farming techniques, conditions of water and protected agriculture).
- Farmers Field Schools in El-Zaitoon area and El-Sha'af in Gaza established by PARC for learning on reusing treated wastewater and grey water in agriculture.
- Demonstration applied farms such as Nakheel garden in northern Gaza and Jericho Botanical Garden.
- Extension services to farmers.
- External study tours for knowledge and experience sharing with specialized agricultural organizations.
- Local field visits for trainees to observe real integrated farm management and organic agriculture.
- Other informative instruments include; study days, information leaflets and brochures, documentary films, position papers, fact sheets, press releases, producing TV shows, radio prod-cast programme (radio spots and radio sessions), field promotion campaigns, local exhibitions to promote national products and lobbying and advocacy campaigns.

### 4.6.5 Environmental impact & issues

Palestine has exerted significant efforts to engage in sustainable agriculture and food systems as the agricultural and fisheries sector has proved, over the past years, to be a shock-absorbing sector in terms of livelihoods and employment opportunities creation, income generation, food security and nutrition. However, the agricultural sector faces a number of serious constraints, most of which are a direct result of the Israeli occupation activities. The separation wall, control over the water resources, and the increasing number of physical impediments to movement, such as roadblocks and checkpoints in the West Bank and the tight closure of Gaza borders and restricted access to what is called "buffer zone" along the entire Gaza borders with Israel are all having a dramatic effect on the ability of farmers to access natural resources ( land and water) and markets. The costs of transporting goods to market, and receiving agricultural inputs, have increased as a consequence of longer journey times. Produce destined for external markets frequently spoils as it is detained at checkpoints and borders. The occupation has also caused severe damages to the sector during frequent military invasions by demolishing agricultural assets and infrastructures, uprooting trees, destroying animal and plant farms, damaging agricultural water wells, and farmers' limited access to land and water.

### 4.6.6 Example of negative and positive consumption & production practices

Example of *positive* consumption & production practices

- GLOBAL GAP Certification Projects<sup>82</sup>:
  - -January 2012 June 2012 GLOBALGAP certification for PARC cooperatives and FAO option I growers. 19 cooperatives in Gaza and West Bank were inspected against GLOBALGAP version 4 with 450 growers and 11 farmers option I belongs to FAO were inspected against GLOBALGAP version 4.
  - -PARC GLOBALGAP certification project for 2007-2010 in West Bank and Gaza Strip. The project certified about 300 growers and cooperatives for GLOBALGAP Option I and option II.
  - -GLOBALGAP certification project in Gaza Strip-2005-2006. The project trained 8 agronomist and 26 farmers and certified 26 farmers for GLOBALGAP (Strawberry and cherry tomato).
  - -FAO GLOBALGAP project 2008-2009 certified 5 cooperatives s under option II and 17 growers Under Option I.
- The Palestinian Environmental Friends Association in Rafah established composting plant of agricultural waste. The compost is sold to FAO, which in turn distribute the compost free of charge to farmers as part of their support to reduce food insecurity. Currently, the NGO is upgrading the composting pilot into a big project with recycling of waste that will compost and recycle 100 tons of waste<sup>83</sup>.
- Extension for Value-added Agriculture Project (EVAP) collaborated between Ministry of Agriculture and Japan International Cooperation Agency (JICA) included silage making from crops residues to feed animals when natural pasture isn't good, compost making, grafting, improved cultivation and livestock techniques<sup>84</sup>.
- Organic farm in southern Gaza that is run by the Palestinian Center for Organic Agriculture. This eight acre farm produces most of the organic produce in Gaza.
- The project "Improving productivity and quality of Protected Agriculture production in GAZA" was implemented in southern Gaza Strip. It aimed to improve the growers' livelihoods and enhance high value cash crops water and land productivity through the adoption of Integrated Production & Protection Management (IPPM) under the Greenhouses in project targeted area. The project outputs included: hydroponic techniques was applied in one Cucumber and another Hot Pepper Farms; Tensiometer techniques was applied in one Cucumber and another Tomato Farms; reduction in consumption of water for Cucumber production from 120 to 45 cubic meters after using the Tensiometer reflecting 62.5% saving in water use and increasing productivity per unit of Water and Land; and reduction in consumption of water for Tomato production from 90 to 45 cubic meters/month after using the Tensiometer reflecting 50% saving in water use and increasing

<sup>82</sup>http://www.mak-int.ps/proj.php

<sup>83</sup>http://www.pefrafah.org.ps/

<sup>&</sup>lt;sup>84</sup>EVAP NewsVol.1 (August 2012). EVAP: Extension for Value-added Agriculture Project Collaborated project between Ministry of Agriculture and Japan International Cooperation Agency(JICA)

productivity per unit of Water and Land. Farmers changed attitude and sensitized towards using innovative safe techniques in agriculture such as hydroponic and Tensiometer<sup>85</sup>.

- Green jobs particularly for women were created in the agricultural sector. A project of recycling palm waste in producing handicrafts and livestock fodder in Deir Al-Balah Community, the project was accompanied by an awareness campaign to farmers, which was successful in leading to the preservation of these trees<sup>86</sup>.
- The initiatives of using the treated wastewater.

Example of *negative* consumption & production practices

- Plantation of crops (citrus, olive and vegetables) using partially treated wastewater in Gaza.
- Bad agricultural practice, regarding the excessive use of industrial pesticides and fertilizers, has a negative impact on groundwater resources.
- The random spread of urbanization in agricultural lands.

# 5. Strengths, weaknesses, opportunities and opportunities (SWOT) for SCP and sustainable development

Based on interviews with key informant stakeholders and literature review, the SWOT analysis for SCP and sustainable development is presented in Table 5.1 below.

### Table 5.1: SWOT analysis matrix

# Strengths

# ou engins

- Political Commitment to MDGs through issuing a ministerial decree in 2005 to adapt MDGs and developing National Strategy to achieve the MDGs by 2015.
- Strong political commitment towards the social sector and economic sector as they receive significant budget of 287 million USD (19%) and 410 million USD (27.4%) of the total development expenditures.
- The Palestinian Basic Law acknowledges a well balanced and clean environment and

### Weaknesses

- National Development Plan including the National Policy Agenda are divided into four sectors (social, economic, governance, and infrastructure) which differ from the three pillars of sustainable development (social, economic, and environmental). Environment is a sub-sector under infrastructure.
- Environmental issues have not yet been sufficiently mainstreamed.
- Weak political commitment towards the environmental sub-sector as it will receive

<sup>&</sup>lt;sup>85</sup>Agricultural Development Association (PARC), 2011. Improving productivity and quality of Protected Agriculture production in GAZA

<sup>&</sup>lt;sup>86</sup>Palestine, 2012. Sustainable Development under Israeli Occupation: Achievements and Challenges

introduces the principle of sustainability.

- Various Palestinian Laws including the Environmental Law, the Water Law, the energy law and other by-laws based on these laws.
- The Environment Assessment Policy.
- Development of National Development Plan including National Policy Agenda (2014-2016).
- Development of environmental strategies since 1999.
- Strategic Development and Investment Plans for municipalities in Gaza Strip and West Bank
- Development of sectoral and cross-sectoral strategies (i.e. water and wastewater, solid waste, energy, housing, agriculture, economy) emphasizing eco solutions.
- Palestine applies and uses various aspects of green economy such as renewable energy, integrated water resources management, green loans, green jobs, green buildings, solid waste recycling, reuse of treated wastewater, and green agriculture.
- Development of a Green Agriculture Approach based on integrated natural resources management, generation of work and income opportunities, food security, participation and complimentarily among stakeholders.
- Increase in small and medium enterprises (SME) in Palestine.

- modest financial budget at 34.7 million USD (2.3%) of the total development expenditures.
- EQA is not represented in the Ministerial Cabinet, where all decisions and policies are approved.
- Lack of enforcing Strategic Environmental Assessment for policies, plans and programmes.
- Inadequate national policy promoting sustainable development and SCP
- Lack of appropriate informative and economic policy instruments, enablers, and techniques of advancing sustainable development and SCP.
- Palestinian internal political division created parallel organizational structures in West Bank and Gaza Strip and inactive Legislative Council which has sabotaged the legal reform.
- Inadequate legal, regulatory and enforcement framework in the whole Palestine (West Bank including East Jerusalem and Gaza strip) due to lack of sovereignty. Some of the laws that are still active date back to the Ottoman and British periods.
- Human rights challenges.
- Inadequate mainstreaming of gender perspective in NDP and sectoral plans.
- Inadequate human capital (knowledge, talents, skills, abilities, experience, intelligence, behavior) to advance SCP and sustainable development.
- Inadequate national performance indicators as they are completely quantitative indicators and they don't measure quality of services and change on citizens.
- Inadequate incorporation of environmental concerns into the tendering process for public goods and services.
- Inadequate youth development and civic

# engagement.

- Slow shifting from Public Procurement to GPP.
- Inadequate Corporate contribution to local community's development.

# **Opportunities**

- The new status of Palestine accorded by the General Assembly as 'Non-Member Observer State' in United Nations enables Palestinians to utilize international structures and ratify and benefit International Environmental Agreements (IEA).
- Palestine is associated with Arab region, Mediterranean region and G77 and China group.
- The global context on sustainable Development and SCP include launching Marrakech Process, establishing Marrakech Task Forces (MTFs) and elaborating 10-YFP. MTFs are building North-South cooperation, developing SCP tools, and supporting the implementation of concrete demonstration projects to accelerate the shift towards SCP.
- The regional context on sustainable Development and SCP include regional strategies (i.e.Arab Regional Strategy on SCP, SDIAR and Mediterranean SCP action Plan), capacity-building and information sharing, multi-stakeholder partnerships and project implementation in SCP areas.
- Palestine participates in capacity building and roundtable meetings on SCP at regional and global levels.
- The EC-funded multi-component SWITCH-Med programme to assist the 9 ENPI South target countries of the southern Mediterranean. Palestine benefits from the regional and national policy, demonstration; and networking components.

### **Threats**

- Israeli Occupation colonizing activities including illegal colonies, annexation and separation wall, check points and Area C in the West Bank (64% of the West Bank including East Jerusalem remain under the direct control of Israeli occupation), Israeli control over borders, siege on the Gaza Strip, restriction on import and export, and Israeli imposed restriction on access to farming land and sea for fishing in the Gaza Strip.
- The internal fragmentation inside the West Bank including east Jerusalem and between Gaza Strip and the West Bank.
- Israeli frequent offensives and invasions resulting in killing and injuring citizens, destruction of public buildings, houses, economic facilities, and infrastructure; leveling agriculture land, damaging biodiversity and nature reserves.
- Extra costs imposed on Palestine and resulting from its dependency on Israeli supplies for water and electricity, costs imposed on exports and imports, and higher transaction costs inside Palestine.
- Inability to introduce integrated environmental management principles due to limited control of resources and continued violation of Israelis to Palestinian natural resources.
- Palestinians are denied access rights to their water resources while Israeli occupation abstracts the vast majority of Palestinian water resources, and Palestinians have to buy back more than 36% of their national water supply from the Israeli water company.

- Palestinians have been denied their right to access, control and use of the Dead Sea.
- Limited implementation of sectoral and cross sectoral strategies due to repressive Israeli measures.
- Illegal Israeli colonies dispose their waste and wastewater into Palestinian land without treatment.
- Radiation and waste production from the Israeli nuclear plant Dimona.
- Water and soil pollution, UXOs and landmines due to Israeli military activities.
- Donor dependency, imposed conditional donor funding, and diversion of development assistance towards emergency funding.

### 6. Focus areas for SCP action plan to promote 10YFP sub-programmes

To identify the focus areas for SCP action plan to promote the 10YFP sub-programmes(consumer information, sustainable lifestyles and education, sustainable public procurement, sustainable buildings and construction, sustainable tourism including ecotourism, and sustainable agriculture and food systems), the consultant reviewed the Mediterranean four SCP priority action areas including food and agriculture, goods manufacturing, tourism and housing and construction. The Consultant also reviewed the Arab region SCP priority action areas which are energy, water, waste, rural development and poverty eradication, education and sustainable lifestyles and tourism.

The Consultant concluded the focus areas for multi-criteria analysis and priority ranking that are based on combination of focus areas of the Mediterranean region and Arab region as Palestine is part of both regions and the selected SCP focus areas for Palestine shall be consistent with the SCP focus areas for the two regions.

The combination of SCP focus areas from Mediterranean and Arab regions include:

- Food and agriculture
- Goods manufacturing
- Tourism
- Housing and construction
- Energy
- Water
- Waste
- Rural development and poverty eradication

# • Education and sustainable lifestyles

The Consultant conducted comparative assessment of these SCP focus areas to measure their weight scores and rank their priority using participatory multi-criteria analysis (MCA) with stakeholders who participated in the interviews and the consultation workshop on 29/4/2015 in Ramallah. The compensation method of MCA was adopted in this analysis as it attributes a weight to each criterion and then calculates a global score for each focus area, in the form of a weighted arithmetic sum of the scores attributed to that focus area for the different criteria.

The evaluation criteria included social, economic, environmental, extent of cross-cutting all of the 10YFP sub-programmes, and interdependency between the focus areas with equal weights and the political context.

Table 6.1: Multi-criteria analysis of focus areas for SCP							
Focus area	Evaluation Criteria					Weight	Rank
	Social	Economic	Environmental	Crosscutting	Inter	Score	
	20%	20%	20%	10YFP sub-	dependence		
				programs	Between		
				20%	focus areas		
					and		
					political		
					context		
					20%		
Food and	15.67	17.67	16.33	15.67	16	81.33	4
agriculture							
Goods	13.67	13.33	16	16	14.67	73.67	7
manufacturing							
Tourism and	11	15	13.33	13	13	65.33	9
ecotourism							
Housing and	16.75	16	15	14.25	16	78.25	6
construction							
Energy	16.75	17.25	16.75	18.5	17.25	86.25	2
Water	18	18	17.75	17.75	14.75	85.75	3
Waste	17	17	18.33	17.34	18.33	88	1
Rural	15	13.33	15	15	13.67	73.5	8
development							
and poverty							

eradication							
Education and	17.33	16.67	16.33	17	13	79.75	5
sustainable							
lifestyles							

Based on the weight scores of focus areas presented in MCA matrix (Table 6.1 above), the priority ranks of focus areas for SCP action plan to promote 10YFP sub-programmes in Palestine are as follow:

- 1. Waste management
- 2. Energy
- 3. Water
- 4. Food and agriculture
- 5. Education and sustainable lifestyles
- 6. Housing and construction
- 7. Goods manufacturing
- 8. Rural development and poverty eradication
- 9. Tourism and ecotourism

The Consultant agreed with stakeholders to select the top priority focus areas with weights above a threshold value of 75% to proceed with in the suggested action plan and road map. Accordingly, Waste management, Energy, Water, Food and agriculture, Education and sustainable lifestyles, and Housing and construction would be the SCP priority focus areas in Palestine.

Waste management has the first priority rank due to its high social importance related to public health improvement, positive impacts on environmental protection of groundwater and soil. Energy has been selected as the second priority due to its social and economic importance, the high dependence of other focus areas on energy, and energy runs through all of the 10YFP sub-programmes. Management of water sector facilities has operational problems due to the shortage of electricity mainly in Gaza Strip.

Water has been selected by stakeholders as the third priority due to its high social importance in terms of public health, input for economic activities, environmental in terms of supporting ecosystems and their biodiversity, and crosscuts the other focus areas while it is dependent on energy. In the Palestinian status the water rights are so crucial since Israel is controlling more than 80% of the Palestinian water resources, so taking water as one of the priorities in this context may affect the water rights, so water could not be dealt with now in spite of its importance and could be tackled in the food and agriculture sector.

Food and agriculture as the fourth priority rank as it supports food security at family and community levels mainly in times of crisis; creates livelihoods, income and employment opportunities for marginalized groups in rural areas; contributes significantly to exports and national economy; and improves landscape architecture, air quality, and biodiversity. Education and sustainable lifestyles has the fifth priority due to its social, economic and environmental values in terms of addressing challenges, such as resource efficiency and biodiversity conservation, climate change mitigation and

adaptation, poverty eradication and social well-being. Housing has the sixth rank due to its social importance related to improving citizens' wellbeing and quality of life, advancement for workers technical and vocational skills and building technologies, and creation of employment and income opportunities.

### 7. Conclusions and recommendations

Based on the assessment of Sustainable Consumption and Production (SCP) Policy in Palestine, the main conclusions and recommendations are presented in Table 7.1 below.

Table 7.1: Conclusions and recommendations			
Topic	Conclusions	Recommendations	
Sustainable Development	National Development Plan including the National Policy Agenda are divided into four sectors (social, economic, governance, and infrastructure) which differ from the three pillars of sustainable development (social, economic, and environmental). Environment is a sub-sector under infrastructure.	Restructure the four major sectors of NDP ensuring that the environment is a major sector of NDP and not a cross-cutting sector, thereby following the Sustainable Development approach.	
	Environmental issues have not yet been sufficiently mainstreamed	Promote initiatives that support informed inclusion of relevant environmental concerns into the decisions of stakeholders that drive national, local and sectoral development policies, strategic development and investment plans, standards, and budgets.  Entry points for environmental mainstreaming are to work with finance and planning ministries where these are concerned about national policy and planning cycles, multi-stakeholders processes, investment prioritization, and budgets. Other choices need to be made about environmental mainstreaming are to work with government authorities — or non-government drivers of development, to focus on environment issues that capture the attention of the mainstream, and to work on both 'upstream' on key policy and planning issues and 'downstream' on investments and	

	implementation.
Weak political commitment towards the environmental subsector as it will receive modest financial budget at 34.7 million USD (2.3%) of the total development expenditures.	Strengthen commitment towards the environment via increasing environmental budget in the NDP
EQA is not represented in the Ministerial Cabinet, where all decisions and policies are approved.	EQA shall be transformed into a Ministry for Environment to be represented in Ministerial Cabinet
Lack of enforcing Strategic Environmental Assessment for policies, plans and programmes.	Enforce the application of Strategic Environmental Assessment (SEA) for policies, plans and programmes
Palestinian internal political division created parallel organizational structures in West Bank and Gaza Strip and inactive Legislative Council which has sabotaged the legal reform.	Need to end Palestinian internal political division
Inadequate legal, regulatory and enforcement framework in the whole Palestine (West Bank including East Jerusalem and Gaza strip) due to lack of sovereignty. Some of the laws that are still active date back to the Ottoman and British periods.	Review and reform the legislation as appropriate to support sustainable development and SCP.
Human rights challenges	Advance the rights-based approaches in policies and development plans at national, sectoral and local levels.  Promote culture of respect for human rights
	Monitor and document human rights violations and emphasize accountability for these violations
Inadequate mainstreaming of gender perspective in NDP and	Promote women rights and gender equality in policies and development

	sectoral plans.	plans at national, sectoral and local levels.
		·
	Inadequate youth development civic engagement.	Develop youth development and civic engagement interventions.
	Imposed conditional donor funding and diversion of development assistance towards emergency funding	Develop fundraising strategy and open up dialogue with donors about the added value for development assistance.
	Imposed Israeli occupation barriers have limited Palestine's achievements in Sustainable Development	Promote international lobbying and advocacy to minimize the Israeli occupation obstacles to development in Wes bank including East Jerusalem and Gaza Strip.
Macro- economic	Israeli-imposed geographic fragmentation and related restrictions have caused low GDP by economic sectors, low GDP per capita, high unemployment and poverty rates, decrease in exports, and increase in imports	Promote international lobbying and advocacy to minimize the Israeli-imposed geographic fragmentation and related restrictions.
Human Capital	Inadequate human capital (knowledge, talents, skills, abilities, experience, intelligence, behavior)to advance SCP and sustainable development. Budget for education development is too small.	Invest heavily in quality education, research, professional training, and networking to realize an innovative and knowledge-based green economy through advancing the knowledge, skills, attitude and behavior of people to reorient consumption and production patterns so that they can contribute to sustainable development while meeting the needs of people, decreasing environmental degradation, and resource depletion, and their long-term social and economic costs.
National development indicators	Inadequate national performance indicators as they are completely quantitative indicators and they don't measure quality of services and change on citizens	Develop qualitative national indicators as appropriate to measure the change in the quality of lives for citizens.
National policy	Inadequate national policy promoting sustainable development and SCP	Stakeholders in government, private sector and civil society review and adjust the national policy agenda so that the policy shapes the context in which a move to more sustainable development and SCP.
	Lack of appropriate informative and economic policy instruments, enablers, and techniques of	Stakeholders shall develop appropriate informative and economic instruments related to the SCP's drivers (i.e. savings

	advancing sustainable development and SCP.	and efficiencies; costs and penalties; consumer demand; and markets and competition), enablers (i.e. stakeholders engagement; product and policy road mapping; legislation incentives and penalties; and voluntary standards) and techniques (i.e. technology, innovation and design; closed loop production; sustainable procurement; customer engagement; life cycle assessment; and resource productivity and efficiency).
Green Public Procurement (GPP)	<ul> <li>Inadequate incorporation of environmental concerns into the tendering process for public goods and services</li> <li>Slow shifting from Public Procurement to GPP.</li> </ul>	Procure public goods, services and works with a reduced environmental impact throughout their life cycle.
Corporate Social Responsibility (CSR)	Inadequate Corporate contribution to sustainable development	Spread the culture of corporate social responsibility among the private sector and promote their initiative in health, education, skills development, inclusion of marginalized groups in labor market, and environmental protection.
SCP priority focus areas in Palestine	<ol> <li>Waste management</li> <li>Energy</li> <li>Water</li> <li>Food and agriculture s</li> <li>Education and sustainable life style</li> <li>Housing and construction</li> </ol>	Identify gaps for selected priority focus areas in Palestine.  Prepare a national action plan, aiming at establishing a range of actions and objectives to shift to SCP via stakeholder consultations. The Action Plan shall also include a Roadmap.

#### 8. Annexes

8.1 List of interviewees (face to face and through phone calls)

Dr. Abdel Karim Jouda Project Manager, Middle Area, UNRWA

Dr. Abdel Rahman Tamimi Palestinian Hydrology Group

Dr. Ahmad Abu Hanyyeh Birzeit University

Dr. Akram Ijla Director General, Ministry of Tourism and Antiquities- Gaza

Dr. Ali Khalifa Director General of Educational Planning, Ministry of Education and

Higher Education- Gaza

Dr. Ali Shaat Chairman, Palestinian Industrial Estates and Free Trade Zone

Authority- West Bank

Dr. Basri Saleh Assistant Deputy Minister of Education- West Bank

Dr. Hassan Hamouda Dean Engineering and Planning Faculty, University of Palestine

Dr. Imad Al Baz Consumer Protection Department, Ministry of National Economy- Gaza

Dr. Khalid Qahman Assistant Chairman EQA- Gaza

Dr. Mohamed Abu Sada Law Department, University of Palestine

Dr. NihadMughani Director of Planning and Engineering Department, Gaza Municipality

Dr. QasemAbduh Assistant Deputy Minister, Ministry of Agriculture- Ramallah

Dr. Sami Hamdan Palestinian Water Authority- Gaza

Dr. Younis Al- Mugheir Environmental Engineering Department, Islamic University

Mr. Abdel Fattah Zrai'i Ministry of National Economy- Gaza

Mr. Adel Al-Habbash Palestinian Energy and Natural Resources Authority- Gaza

Mr. Ahmed Abu Thaher Director general of Projects and International Relations, EQA- West

Bank

Mr. Ahmed Abu Laban Municipality of Ramallah

Mr. Ahmed Ghanem Palestinian Standard Institute

Mr. Ahmed Megbel Procurement Officer, UNDP

Mrs. AmalSyam Director, Women Affairs Center

Mr. A'laYaghi Palestinian Legislative Council

Mr. Amjad Al-Shawa Director, Palestinian NGO Network- Gaza

Mr. AwniShawamreh Ministry of Tourism and Antiquities- West Bank

Mr. Ayed Abu Ramadan Palestine Islamic Bank- Gaza and West Bank

Mr. Bader Abu Zahra Director General-Ministry of Planning Administrative and Development- West Bank Mr. Baker Thabet Palestinian Industrial Estates and Free Trade Zone Authority- Gaza Mr. Basam Sha'lan Ministry of Housing and Public Works- West Bank Mr. Basel Al Helou Bank of Palestine Mr. Falah Dumairi Palestinian Energy and Natural Resources Authority Mr. Belal Abu Errob Palestinian Standards Institute- West Bank Mr. Hazem Ketaneh Palestinian Water Authority- West Bank Director General Consumer Protection, Ministry of National Economy Mr. Ibrahim Al Qadi Mr. Iyad Abu Hujair Director, Palestinian Center for Democracy and Conflict Resolution Mr. Jamal Al-Shaltaf Acting Mayer, Municipality of Al Bireh- West Bank Mr. Khaldan Redwan Director General, Palestinian Central Bureau of Statistics- Gaza Mr. Khalil Ismail Projects and Planning Engineer, Nusseirat Municipality Welfare Association- Gaza Mr. Mohamed Al Mogyad Mr. Mohamed Salim Project Manager- Gaza, PalTel Foundation Group- Gaza Mr. Mohy Al-Farra Director General Urban Planning, Ministry of Local Government Mr. Nabil Ayad Ministry of Planning and Administrative Development- Gaza Mr. Nadir Hraimat The Applied Research Institute Jerusalem (ARIJ) Mr. Naji Serhan Ministry of Housing and Public Works- Gaza Mr. Naser Al-Najar Head of Solid Waste Management Department- Jabalia Municipality Mr. Nizar Al Wahidi Director General of Extension and Agriculture Planning, Ministry of Agriculture- Gaza Mr. Nu'man Shtaiwi Pro Event Media Company- Gaza Mr. Osama Sa'dawi Head, Palestinian Housing Council Mr. Rafiq A'bed Chief Infrastructure and Camp Development, UNRWA Development Expert, Sustainable Development Center Mr. Rajab Sarraj Mr. Ribhi Sheikh Deputy Chairman, Palestinian Water Authority- Gaza Mr. Salim Jayossi Palestinian Standard Institute- West Bank Mr. Samer Titi Ministry of Agriculture, Director of policy and planning- West Bank Mr. Sufian Hamad Head Solid waste Services Council- Northern Government of Gaza

Palestinian Agriculture Development Association (PARC)- Gaza

Director of Planning and Policies Department EQA- Gaza

Strip

Mr. Tyseer Muhaisen

Mr. Tyseer Mushtaha

Mr. Zahran Khaleef Palestine Central Bureau of Statistics

Ms. Abeer Butma Palestinian Environmental NGOs Network (PENGON)

Ms. Faten Za'amra Public relations- Municipality of Al Bireh- West Bank

Ms. Ihsan Redwan SOS Gaza

Prof. Mohamed Ziara Development Consultant, Center of Planning and Engineering

This document closely assessed the status of sustainable consumption and production in Palestine, through highlighting the strengths, weaknesses, the opportunities, threats, and various initiatives, in addition to the roles of the national stakeholders in this filed. It will be the milestone upon which the national action plan of sustainable consumption and production will be built.

This document was developed through an effective participation of all stakeholders in the sector. The consultation with the stakeholders was carried out through the preparation process through meetings and different ways of communication. In addition to that the document was presented in the final draft shape in a wide consultation workshop to all stakeholders again, in which a rich discussion happened and a fruitful feedback was taken from the participants.

During the preparation of the document there were different phases passed away among which:

- Collate and review relevant studies, data sets and ongoing activities in the identified sectors.
- Identify relevant quantitative and qualitative indicators of economic and social benefits.
- Conduct institutional and market analyses.
- Conduct an institutional field study and mapping of policy processes and initiatives, roles and responsibilities.
- Identify SCP priority focus areas in Palestine.
- Multi-criteria analysis to rank focus areas for SCP;
- Define major stakeholders and their roles for priority focus areas for a potential SCP action plan to promote 10YFP sub-programmes.

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