מדינת ישראל

משרדי הממשלה



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מס' תיק מקורי: מס' תיק

מחלקה:

continuation of ASK

Alex Alon: We want to succeed in the interim period. We want good and full coordination with you.
We thought we could finalize here. Alex Mazen would go to Washington and can push the delegates to accept the DOP.
It is a DOP not on details. You need and we need many clarifications. We may initial it here, or the Norwegians will tell you and us of the acceptance - they will keep it - we don't need a copy.

We hope there will be an agreement with the PLO. not now; it is not a condition on our side; we want it to happen, when it will be suitable to your government.

The transfer of authority will be gradually and shall be in: first a transfer for health and education; afterwards redeployment of forces from Gaza and Jericho; and then elections.
All this depends on our coordination and agreement; after the elections will we will obtain the other authorities and at that time we will not be in fear; the people will be living and dealing in development, in construction and in cooperation.

The DoP is a package deal of three documents
a) the DoP regarding the past;
b) bilateral cooperation and
c) regional cooperation.
We have tested each other in the multilaterals;
and we have created progress; despite the fact
that most Palestinians do not want progress
in the multilaterals.

Arafat (in March 1993) said something about terror.
Here in this channel you requested to stop such
statements and make a public commitment to
peace. So Arafat came out with his declaration
on the PLO strategy for peace.

About Gaza. It is a difficult situation there.
No body can go to GAZA without security;
to maintain stability we will need an
economic process to have the people involved
in development.

Yoel: I will go into details. I may refer to things
that have been already said.
Let us start. Once this DoP is signed a few
spheres will be immediately transferred.
Let's take education as an example.
There will not be a PLC (Palestinian Interim
Council. There will be a special committee?

Abu Ala: There is a Superior Council of Education, and there are the technical committees that have started to engage and plan all the activities in education and health. These committees will take temporarily control until the establishment of the PIC.

Yoel: How many individuals are in there.

Abu Ala: There are more than 400 people in over 30 committees.

Yoel: Thus, Sari Nusseibeh's committee will take over?

Alon: Also the Civil Administration will transfer their structure to the committees.

Yoel: In all cases.

Alon: Yes, this is the task of the Sari N. outfit.

Yoel: I see a problem here. My antenna is receiving a problem signal. Education will be the responsibility of whom?

Alon: There is the Supreme Council of Education, the technical committees and the Civil Administration.

Yael: This is today. Soon, however, we will have to pass the documents. Our head of this Department will ask, to whom will I speak?

Allen: It will be handed over to Faisal el-Husseini. You will give it to Faisal.

Yael: There will be one committee?

Allen: We can complicate it, or make it more simple. There is the Higher Council for Education - it is responsible for the universities.

Yael: It is about the (technical) committee or below?

Allen: There is no complete structure. We can coordinate. If..

Yael: If we say, the transfer of authority will occur gradually according to negotiations.

Allen: For the Civil Administration, the officer in charge will give the authority to one Palestinian, who will stand at the head - for the interim period.

Yael: Will he be responsible for the schools in Jerusalem?

Alon: It is a difficult issue.

Herzog: The responsibility will be for the people not for the land.

Yoel: My question is, whether the school system in Jerusalem..

Alon: There will be a liaison office responsible for Jerusalem.

Yoel: This is to say. Your answer is: NO, Jerusalem will not be included.?

Alon: Yes, but there will be coordination.

Yoel: What will happen in the schools of the Israeli settlements?

Alon: We will not take this responsibility.

Yoel: Let us go into more problematic areas: Taxation: what does it mean?

Alon: We don't intend to increase or decrease taxation.

Yoel: Does it include income tax, cooperative taxes, customs duties etc.? What will be transferred?

Allen: The transfer will include all taxation issues handled today by the Civil Administration.

Yoel: Budgets?

Allen: We have to use the money from taxation for the good of our people. Thus the transfer includes collection of taxes and their spending.

Yoel: All taxes?

Allen: Direct and indirect; customs also.

Yoel: What parts of the budget will be transferred? Only those of areas of early empowerment?

Allen: We are speaking about certain spheres. You can say certain spheres are not included.

Yoel: Thus, in each sphere, the budget for the official will be transfer?

Allen: Only budgets of those officials transferred. - You see it is not an examination without preparation.

Yoel: Without such a discussion - misunderstandings may occur that should be prevented.

Alon: Even with all these explanations, we will need to coordinate and to coordinate in good faith.

Yoel: I will spend much time on "day one" in negotiations with Egypt; there was a short interim period, but we spent most of our time on it; as it is very sensitive.

Alon: All the issues are interrelated. The Liaison Office has a very big responsibility.

Yoel: Reading the Madrid formula something is not clear...
Regarding taxation, customs duties will create difficulties.

Alon: It is included now: Income tax and customs duties. There are two officers but they are interrelated.

Yoel: Customs duties is very problematic. The question is: who controls imports and exports. If we separate, there is no problem with income tax.

Alon: We discussed it.

Yoel: It is a strong demand.

Alon: If it is delayed - the transfer of customs - for a short period of time it is no problem.

Yoel: You must have the budget, even only for paying salaries. Let us start again and forget about the committees. We have five concrete persons to head these spheres. We will agree that they will run these departments. Their names will be known to us, although they obviously will not be in the agreement.

Alon: Will they stay in the same place?

Yoel: Take it one by one. The entire structure will be there, until further arrangements. The take over will be done by individuals.

Alon: I don't see it is a problem. The man in charge will be appointed.

Yoel: Can you agree to a mechanism. You will tell us names of individuals. This is the head.

Alon: We will nominate a person with his assistants.

Yoel: Can you give us the criteria (?)

Alon: I don't think it is important. They will not be from the PLO, they will be from the

territories. They will be professionals.

Yoel: All will be professionals?

Alex: We want efficient people. Efficient and experts in their field.

Yoel: Let us assume what will happen until the PA is inaugurated. Before inauguration. How will be the relationship between those officials (transferred) and the others - not transferred? Will there be a connection? and what will their relationship be?

Alex: There should be coordination. It is necessary

Yoel: Existing arrangements in all fields, spheres; e.g. health - going for instance for treatment to Israel (e.g. Hadassah hospital); arrangements on health insurance - will the existing conditions continue? or will they be cut off?

Alex: I don't know. I am not sure. If we will be able to carry it - by ourselves.

Yoel: Will patients continue to go to Israeli hospitals?

Alon: They will go to Israeli hospitals. We will not cut the relations.

Yoel: There are standards that have been developed, there are budgetary arrangements now.

Alon: We will cover our expenses.

Yoel: Do we continue existing arrangements, or do we exchange them? The immediacy of the transfer creates all these questions.

Alon: It is the logic; it has to be negotiated.

Yoel: The first days are important. May we go on?

Alon: I don't know the exact regulations.

Yoel: We have to secure that it will happen smoothly. It can be done.

Alon: Let us say we agree. The Israeli officers responsible will hand over responsibilities to Palestinian officers. He will take the same structure and will add some persons, but add no burden to the budget. It is necessary that coordination will continue. It will be the trial period

for the transfer of other spheres, too.

Uri: Let us speak about day DoP+1 and check for instance the area of health insurance. From a budgetary point of view, will there be a budgetary mechanism?

Ilem: There will be a need for budgetary arrangements. It will be difficult for us to change too many things in this period.

Yael: The next issue: How will be the mechanism for any additional transfer? So all other spheres - the same mechanism will apply?

Ilem: Yes.

Yael: But the heads of each office will they sit together as a group. Will they try to take decisions in other matters, too?

Ilem: They are professionals, who coordinate ~~check~~ with each other.

Yael: Will this be a beginning of the Interim Council?

Allen: They are not (the interim) government; they are people running certain spheres. They will have to coordinate.

Yael: Once the PIC is in place, what will happen to them?

Allen: I don't know. It depends on their performance, we need professional people now and in the future. If they are successful, they will stay on.

Yael: In Gaza in 1967 there was a Director General in each office; when the Israeli Military Government took over, they stayed on. The same will happen now?

Allen: Sure, but they will not be the Palestinian government.

Yael: Let us read the document together. In para 1 what do you mean, when it is said: ✱ "The aim of Israeli-Palestinian negotiations ..."?

Allen: The agreement will be signed in Washington. It means the Washington negotiations.

Peel: The second part of para 1 relates to the interlock.

Allen: Without that, there is no understanding.

Peel: Do you oppose a preamble, to include general remarks on peace etc.

Allen: Yes, O.K.

Um: It says in para 1, a Palestinian Interim Self Governing Authority, the elected Palestinian Interim Council, ... do you speak of one or two bodies?

Allen: Two bodies.

Peel: Rabin will be willing to give one.

Allen: We will establish ~~an interim body~~ an interim Govt and an elected council.

Peel: This position has been pointed out to us in Washington. If we may agree on certain legislative powers, we will agree only on one body an elected Council with certain legislative rights.

Alex: Explain to me, how you see it.

Yael: Let us assume we have a number. They will be elected between 13 and 100. They will be the governing body. They will also be able to change laws.

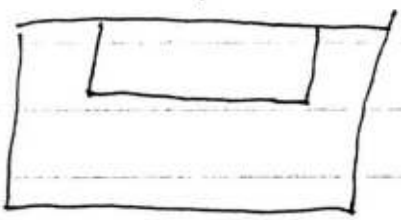
Alex: Suppose they will be 100, all of them will have government functions? Suppose they are 50.

Uri: This is the difference between self-rule and the state of independence. It is the interim-period.

Alex: We know, they are not authorized to make laws in all spheres.

Uri: Because it is an interim arrangement. It is a combined body.

Alex: (Drawing a map:



Can it be in such a way?

We will come back to it.

Yael: We are speaking about the concept and its drafting. Let's go to Art. 2 It speaks of "international supervision" How important is it for you? Could we say: "Agreed supervision" and "international observers"?

Alex: It says: "international supervision to be agreed upon". The text here is important.

Yael: Could it be "agreed supervision"

Alex: "international supervision to be agreed upon." How it will be done, will not be a problem.

Yael: You told Yasi, you want elections after nine months?

Alex: We are thinking of 12 to nine months, to facilitate the way for the other phases.

(Here several remarks were not recorded.)

Yael: Let us turn to article four.
How do you interpret it.?

Alon: The article on jurisdiction has to be seen in its three parts - It says clearly what is being excluded from jurisdiction, by stating that these issues will be negotiated in final status negotiations.

Yael: Someone who reads the DoP may not understand this. It is - as a matter of fact - very frightening to Israeli eyes. We have to make it more appealing to the ISRAELIS. This was the main problem. Can we change it.

Alon: It is difficult.
Hassan: It is difficult not because of its substance, but for reasons of internal Palestinian P.R. (marketing).

Yael: This is frightening. Sometimes the packaging is an essential issue.

Alon: It can be explained - that if final

status is suggested - it does not include jurisdiction in the interim period.

Yael: What do you want to show and what not? (?)

Maher: It was thought that the three paragraphs are an indivisible unit.

Yael: It is not that clear that all the issues in part three are excluded from jurisdiction.

Hassan: Some of our people are even against this. This was the compromise.

Yael: I was sent here to clarify matters. I said yesterday in the evening (at 1300 a.m.) that the DoP was written for the Palestinian public and not for the Israeli public. Here on that paragraph it is very difficult. Your explanation says the opposite of what is written here.

Alon: When our people will be interested in security and in economic development they will not focus on these things, but now

when there is still conflict, it is of importance.

Yael: Can we talk about alternatives: an alternative language which will maintain a balance and the necessary constructive ambiguity.

Allen: It will be difficult to change it.

Yael: I wanted to pause and see what latitude we have to adjust the language. The point is that the text says something, which is not been ambiguous. As long as we know what it means, we may find a way. Let us move on.

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Yael: Regarding the timing, when to start final status negotiations. It says: "the beginning of the third year" This is different to Camp David, and even to the Madrid invitation.

Allen: We meant it. It is important to us.

Yael: If I fail to see some hidden meanings, refer please to it and draw my attention to any such an issue.

Alec: ... it says:
"Final status negotiations will
cover all remaining issues"
this can be explained.

Yoel: The issue of refugees should be dealt
with in the multilateral framework.

Hansen: It is related to UN 242.

Alec: If we speak about final status, we have to
speak about refugees in both the
bilateral and the multilateral framework.
We look to both tracks as complementary
tracks. In other matters, too. We can deal
with many issues in the multilaterals;
e.g. I invite you to establish a
multilateral working group on JERUSALEM.
It is an issue with both bilateral and
multilateral aspects.
This is the case in other spheres too.
e.g. in regard to economic development,
water, etc.

Yoel: How important is it? It is a
regional not a bilateral problem
(refugees) - It has not been comprehensively

dealt with.

Alex: It is very important to have it here.

Yoel: Article Four - the issue is related to in Camp David. There the refugees are a multilateral affair.

Alex: It is a bilateral and a multi-lateral problem.

Yeel: This is for my education. . .
We talked about Article Five.
Article Six.
In artcle 5 it refers to the immediate transfer of power, here in artcle 6 it says: "as mutually agreed upon"
What is the meaning of the difference.

Alex: I don't see a difference between "immediate" (transfer) and "as mutually agreed upon". It could mean five minutes after signing, it could be one months after words.
Article 5 relates to an immediate transfer; here reg. Art. 6 the transfer may be after the DoP. It is:
DoP + time of agreement

Yoel: You don't want to add "agreed upon" to article five 3. Under Article 6 do you see the water and land committees being immediately established.

Allen: It is the same format. There will be an individual to take over.

Yoel: As to water; I saw in the Washington Protocols, that they agreed to have a combined joint committee.

Abu: This is in the multilaterals.

Yoel: They spoke about the joint committee in Washington.

Allen: I have not seen it.

Abu: Common management of joint water resources.

Hussein: There are more items.

Abu: We have to enhance water resources. We have to speak and study issues of management, protection etc.

Yoel: Do you have a concept about cooperation?

Allen: Without cooperation we will both suffer.

Yoel: On land, what is the meaning of the establishment of the Land Committee beyond the text.

ABU: REGISTRATION, planning, land use - responsibilities, those functions that are held today by the Civil Administration.

Yoel: This is a good opportunity to send a message (to our PM).

ABU: WE NEED TO COOPERATE ON WATER, it is fundamental. About land there should be an agreement. There will be a person, who will take responsibility versus the Civil Administration. We need a Housing Department, also to create employment, without land you cannot do it.

Yoel: ~~Don~~ decision making process regarding these questions is going to start functioning very soon.

ABU: It is clear.

YOEL: Let's move to article 7. The police forces will be responsible for internal security. Public order - I understand - is related - to the maintenance of law. But internal security is related to other affairs too.

ABU: We need internal security to protect the people and protect the future of the peace and create a good atmosphere for peace. I am not a police officer.

Yoel: Let's check the text, by speaking about a scenario.-

ABU: SECURITY IS THE MOST CRITICAL ISSUE

Yoel: We need to deal with the concept. How is internal security different from public order. What measures can we take. How do you see the Israeli role?

ABU: You think there will be no role? There should be coordination, liaison....
It is an issue which both parties have to protect. We need a strong police. We are afraid of other groups, as you are; we have to protect public institutions.

Yoel: Why haven't you written the role of Israel in internal security? Why don't you write Israel will be responsible for external security?

ABU: Let's read A. Palestinian responsibility for internal security will start after inauguration of the PLC. I am not speaking about the first period, then, the Israeli

police will be responsible. There should be joint Palestinian - Israeli patrols along the borders.

Yael: Can we write it here: Israel will be responsible for external security, or do you have a problem of writing it here.

ABU: We agree to write; but it should be in the annex, - there we intended to speak about security.

Yael: Let us go back to the concept.
Alex: I don't understand it. I want security for both.
Yael: Let us talk about it.
ABU: EXTERNAL security is ISRAELI RESPONSIBILITY. Also here the Palestinian police should be coordinated with Israel. The instruction I have on security is to be <u>open</u> to your suggestions.

Yael: Internal security relates to individuals. Do you want exclusive responsibility?

ABU: We want to define the jurisdiction of the Palestinian police force, defining its responsibilities.

Yoel: Let's start with little things. e.g. an individual attacks Israeli soldiers in the West Bank. This is an internal security issue.

ABU: We will complicate the issues this way. If a settler kills a Palestinian worker, ... We need a principle. There will be coordinations and joint patrols.

Yoel: You have a problem here.
ABU: It can be done.
Yoel: Put the language aside.
ABU: The internal security of the Palestinians will be our responsibility.
Yoel: ARE YOU SAYING THE internal security of the Israelis will be Israeli responsibility?

ABU: It is very clear. If you go back to our explanation regarding Article 4, if we say the issue of the settlements (and the settlers) is to be negotiated in the final status, it means that jurisdiction over these issues is not included in the interim period.

Yoel: Then, the jurisdiction of the police of the Palestinians will not apply to our settlements and to the Israeli army.
Michel: Yes, but on the other hand there is place for liaison committees.

Yael: We shall deal with it, when we come to speak about GAZA.

LUNCH. restart 14²⁰

Yael: Lets try to rush forward. On internal security I'll summarize what I think is your view:
The Palestinian police is responsible for internal security of the Palestinians; Israel will be responsible for the internal security of the Israelis.
The Palestinians will be responsible for public order. there is need for close cooperation.

ABU: Let me add something: We believe that security comes ~~to~~ (derives) from coexistence; until we will arrive to this point, we accept the security demands of the Israelis.
For the interim period: external security is logically your responsibility, but some coordination is needed here too. (~~for instance to~~

For internal security jurisdiction
the Palestinians are under Palestinian responsibility
the Israelis under Israeli responsibility.
The position of the Israeli army is clear and not disputed by us.

Uri: Still on Art. 7, before the establishment of the PIC, Israel will be in command of the police.

ABU: Yes.

Yael: On article 8: After elections these seven institutions will be established. How will they be related to the PIC?

Abu: It is a part of the Palestinian Self-Government.

Yael: The Palestinian Land Authority will have control over...?

ABU: We need no Department for Land. The committee will be integrated - it will be the same - the name will change.

Yael: Let us assume - all the powers have been transferred. You have offices for: health, education etc. and you have these (7) authorities, will they be for part of the same structure?

ABU: It is a message; yes, in fact we are talking about one structure. However, there will be new organizations, eg. the PDB (Palestinian Development Bank).

Yael: The agreements to be negotiated under article 3 relate to article 6 ?

ABU: Yes, and to article 4 as well. The agreements will be on powers, as well as on cooperation (see CWP, too).

VAI: What will be the tasks of the PDB ?

ABU: To channel investment; to receive loans, to spend for infrastructure, etc.

Yael: On article 9 - The ~~authorities~~ authorities mentioned refer to what ?

ABU: The authorities transferred (to the PIC) We have to check which military orders are in contradiction to the transfer of powers, and those military orders shall be <u>amended</u> accordingly. If <u>all</u> the military orders stay in force, there is no Interim-government.

Yael: And legislature powers as agreed upon ?

ABU: You get the right to monitor.

Yael: Will this be done by a gradual approach ?

ABU: The legislation can be done gradually. Legislation should <u>not</u> exceed spheres that have not been transferred.

Yael: How will the joint review function?
You will say: we want to abolish this;
Israel will take a different position.
Is there a need for agreement?

ABU: We should have legislative rights in spheres where there is no contradiction to the interim rule arrangements.
Yet, both together (Israelis & Palestinians) will decide on legislative rights.

Yael: On article 10. The daily liaison activities and the liaison on cooperation will be handled by one liaison body?

ABU: (operation activities (on the CWP) may need another mechanism. Article 10 is more a daily matter of liaison.

Yael: We need to think about it. With Egypt we established a daily committee.
There may be two different systems.

Meital: Exactly.

Yael: Liaison on security issues?

ABU: What do you suggest?

Yoel: May be the right way is to have one liaison organization, that will have sub committees, to be formed by professionals.

ABU: Yes.

Yoel: certain persons will be transferred others not; also here we need a settlement mechanism for disputes.

ABU: Also before inauguration:- bilateral

Yoel: When will the liaison committees be established.

ABU: Immediately after the DoP.

Yoel: On article 11: where should there be Jordanian and Egyptian participation?

ABU: There are issues where their participation is essential: Security; the people who are coming in and out, borders, trade etc. Egypt with Gaza, Jordan ~~with~~ with the West Bank.

Yoel: All parties, will be a party to the agreement (on the good quadruple liaison arrangements)

ABU: Yes all together should try to solve it. We could do it in regard to Jordan only with them (on West Bank affairs) or only with Egypt, but it is better all together.

Yael: Has Jordan any role in this process, beyond tasks described in article 11.2.

ABU: There are many related issues.
Meier: E.g. in the CMP we speak of the creation of a trilateral development programme for the Dead Sea area.

ABU: Our choice is a Confederation: in regard to currency, a central bank. The most important issue is of course security. The JORDANIAN DINAR will be our currency in the interim period - (I think?) also in force. In the economy, trade, waqf affairs the Jordanians are important.

Yael: You intend to make the Jordanian role more prominent?
ABU: It will be a Palestinian Interim-Government, not a JORDANIAN government. We do not want JORDAN to come to the West Bank in the interim period.

Yael: I prefer to ask all questions now.
ABU: In reshaping Palestinian-Israeli relations Jordan has no role, except in these spheres, where already a Jordanian involvement exists.

Yael: Taking this opportunity, by speaking about "JORDAN" - if the DoP will have been agreed upon by us, it will be put on the table by the Americans; by whom will it be signed?

ABU: We have asked your agreement that the co-sponsors of Madrid will sign the DoP, too.

Yael: Let's turn to article 12. Israel's position is that redeployment of IDF units will be done unilaterally and not by agreement. The deployment of the IDF outside of populated areas is an IDF decision.

ABU: Take it step by step. We speak about gradual redeployment

Yael: We are speaking basically about the Camp David-text; our interest is to minimize disruption and friction.

ABU: That is what we want.

Yael: Let's turn to the withdrawal from Gaza, and speak about Jericho.
When you propose withdrawal from Jericho, what will be the status of Jericho?
There is no decision on Jericho, but let us assume there will be a move on Jericho.

How will Jericho be different from other towns in the West Bank ?

ABU: Start with GAZA - It will be connected to the West Bank. What will happen in Gaza will be in Jericho; its status will be part of the OTs.

Yoel: Let us take it day for day. The sequence will be as follows:

a) DoP;
b) transfer of five authorities;
c) negotiations;
d) elections;
e) PLC inauguration;
f) the withdrawal from Gaza.

What happens the day after the withdrawal?

Alex: The establishment of the PLC trusteeship.

Yoel: Let us assume there will be no trusteeship. You have a PLC and control over five spheres.

Alex: We suppose the sequence of practical steps will be as follows:

a) DoP;
b) transfer of five authorities;
c) other negotiations;
d) withdrawal from Gaza - before elections;
e) something in Jericho or elsewhere.
f) elections and inauguration of PLC.

We have to agree on the parameters of management. We assume Palestinians from abroad will come. The Palestinian police will be trained in Egypt and Jordan - in addition to the Palestinian police trained in the OT's.

- After withdrawal from GAZA and Jericho there will be elections.

But long before elections, as early as possible, we want to direct resources to Gaza for development, work and investment; we are speaking also about joint ventures with Israel. Having created a suitable situation ~~we~~ we will have elections - then the Interim ~~Self~~ Self-Government will start.

Yael: What will happen between withdrawal and elections?

Abu: Some people will come back - the work for stabilizing security measures, economic development steps, that will have started earlier will continue.

? |

Yael: Who will be responsible for external security?

Alon: As it is prescribed in the DoP.

Yael: Then, it is rather a redeployment?

Alon: It is a part of the autonomy system. The responsibility of external security is

the same or elsewhere.

Yoel: The integrity of the territories.

ABU: Without doubt
there (in Gaza and Jericho) will be the same structure, the same jurisdiction, as in the DoP.

Yoel: Is this compatible with withdrawal?

ABU: There can be Israeli security forces along (both sides) of the frontier. The IDF will be responsible for the settlements in GAZA.
The West Bank and GAZA are seen as an integrated area.

Yoel: I have some technical questions:
When should be the timing of withdrawal?

Abu: This is left to your assessment.-
At best after 6-12 months.

Yoel: Can you assume responsibility for internal security after this time?

ABU: We need support to form a strong Palestinian police force; from Egypt and others.

Yoel: We want to maintain it on a bilateral mode.

ABU: How many police do we need?

ABU: OUR ASSESSMENT IS THAT FOR GAZA WE NEED AT LEAST 16 000 PEOPLE. 6000 PALESTINIANS and 10 000 other forces.

Yoel: The Americans will not go there.
Some peripheral questions:
Do you want a separate agreement between Israel and the PLO on GAZA, and the need to address threats from third parties?

ABU: I WANT TO TALK ABOUT IT (IN TUNIS).

YOEL: CAN YOU TAKE UPON YOU THE OBLIGATION TOWARDS US TO COLLECT ALL WEAPONS FROM THE POPULATION.

ABU: OTHERWISE THERE WILL BE NO SECURITY.

YOEL: CAN YOU TAKE THE Obligation towards us, to act through the Palestinian police to collect weapons?

ABU: We want real security - If there is no security for you, there is no security for us.

Yoel: Can you call upon the Palestinians to stop the intifada?

ABU: I will ask in Tunis. We will elaborate. We can speak of Recognition of Israel; absent an end to terror, about 242.

Yoel: Can you take an obligation to annul the Palestinian Charter?

ABU: When the PNC recognizes 242 - this was a change of the Charter.

Maher: The issue is: it happened already ~~they~~ there are statements and resolutions.

Yoel: A PLO commitments towards Israel could be put in a document?

ABU: All of that already has been done.

Yoel: Make a compilation.

URI: Refer to it as RECONCILIATION.

ABU: WE CAN AFFIRM OR REAFFIRM all the positions already taken. Some other issues have to be discussed. I shall ask about an agreement.

YOEL: We could accumulate in a document all the "non-DoP" matters: The people, who go to Gaza, who is coming? When? Where will they be?

ABU: We have no clear ideas on these matters, yet.

YOEL: I WAS ASKED TO LOOK AT THE PACKAGE. There is - on our side - a readiness to listen. It will depend on your thoughts. I understand the PLO leadership will come after Israeli withdrawal but before elections.

ABU: In GAZA and also in Jericho.

URI: Between the withdrawal and the establishment of the PLC.

ABU: It will be an autonomy.

URI: Keep a link - but we could move faster on Gaza. Instead of transferring final functions we could transfer it in GAZA

YOEL: Is it possible that powers will be faster transferred in GAZA THEN IN THE WEST BANK?

ABU: WE ARE READY .. (hesitating) ... IT IS A DANGER.

YOEL: YOU WOULD PREFER TO MOVE EQUALLY IN THE WEST BANK AND GAZA? EVEN IF WE ARE READY to give you more in Gaza?

ABU: WILL YOU WITHDRAW FROM GAZA, WHEN WE SAY THAT WE ARE READY?

YOEL: IT DEPENDS ON YOU. WE WILL NOT GO OUT BEFORE ASSESSING THAT YOU ARE IN CONTROL.
IF THERE ARE ATTACKS FROM GAZA ON US, THE GOVERNMENT WILL BE RESPONSIBLE.
WE HAVE TO WORK TOGETHER - There are many areas of cooperation, and not necessarily all spheres have to be mentioned.

URI: In the economic area, we will have to go into greater detail - looking at day DOI+1.

ABU: WITHOUT SECURITY EVERYTHING WILL COLLAPSE and without economy there will be no security. I can come with concrete answers:
a) security aspects should be balanced with steps in the West Bank.
b) logically if you withdraw all spheres will be with us, while in the West Bank there will be only 4-5 functions.

Yoel: Gaza is part of the whole process; but in the West Bank -
There is an administrative problem?

ABU: EXACTLY.

ABU: The only way is to deal with Gaza separately in decentralized spheres in spheres that are fully transferred - the heads of departments will sit in the West Bank, and have a branch in GAZA; if only Gaza elections; these spheres the heads will sit in GAZA.

Yoel: Will they not sit in JERUSALEM?

ABU: It is a good idea that they shall sit in Jericho, but I shall ask about it.
How will the people move from Gaza to Jericho?

Yoel: We have to work it out.
a) security; b) leadership.
This goes in the idea of a separate agreement.

ABU: Suppose ARAFAT comes back to Gaza after elections. ~~(He will not stand for elections)~~

Yoel: Therefore we need a document.
Another problem is the sequence of events:
a) 5 powers transferred,
b) negotiations on additional powers,
c) withdrawal and
d) elections

The arrangements for withdrawal have to be in full away..

ABU: And how the arrangements in Gaza will be seen to be temporary.

Yoel: In between the different stages, there cannot be a vacuum.

ABU: The transfer will be to Israel ready. This will also be gradual.

Yoel: This may mean: elections, after 9 months, but after withdrawal from Gaza. What will happen, if you are not ready.?

ABU: We will have to be ready. Elections will take place, no matter what. If we put the timing of the withdrawal in the document, it will be useful. Why do you oppose the trusteeship. After signing we would like to have a multinational force.

Yoel: They are only observers. They will not take responsibility.

ABU: BUT THERE IS SOME PSYCHOLOGY; even if they will not interfere. If you don't have political objection,.

Yoel: We have objections:

a) on internal security - it goes together. Israel will not agree to depend on a multinational force. Norway is not a substitute. With you it is different. For you it is easier. There is a difference.

b) The second problem is: our opposition to an international force in Jericho.

Hassan: This is different. The security issue in Gaza is more complicated.

ABU: Gaza needs 20000. We are able to make available 10000 forces. There are cities, camps. If we can have also international forces - it will convince the people about stability.

Yoel: Have you spoken with the Egyptians?

Hassan: The Egyptians are ready - within the framework of an international force.

ABU: The people will not accept the Egyptians. We ourselves have to be efficient.

After withdrawal a new atmosphere will be created.

VAI: From your point of view: Is it possible without a trusteeship?

ABV: Yes. It is your choice.

Yael: The leadership will come back.

ABV: Have you any objections?

Yael: Whatever is required for control and ~~initial~~ security will be - I guess - welcomed. Do you see ARAFAT coming there and participating in the elections?

ABV: Not at all. He is elected by acclamation. If I return, I will not go for elections.

Yael: The leader will vote?

ABV: It is not a fundamental issue to be discussed. Security, a successful economic development process, the creation of a spirit of cooperation for coming decades, yes. Therefore, we say A is autonomy.

Yael: You agree that we say - the WOP - that nothing will be done to prejudge the outcome?

ABV: We have article 4 it is clear enough in the three paragraph.

Yoel: In Jericho, let us assume there is withdrawal - after 5 functions, have been transferred - what will happen?

ABV = The same as in NABLUS.

YOEL: On article 13, when will the interim agreement be signed?

ABV: Before elections.
Yael: We may then have negotiated specific agreements.
ABV = They will be annexed.

Yael: On article 14. Are we talking about an arbitration mechanism? only for the interim-period?

ABV: Yes; only for the interim period!!
Yael: What kinds of disputes do you see? I don't like the word "arbitration". Let's call it "dispute settlement - agreement. I asked our people: "why are you opposed to it?" I realize it is because of TA 497. There must be arbitration. Let us change the word to "dispute-settlement mechanism".

ABU: It is still an occupation and people are under occupation.

- -

- --

ABU: Please try to keep it, as it is.
The interpreter, will you?
Yael: Like in Camp David?

Yael: On the ANNEX on Elections.
This is for political decisions.
Do you really mean - all those (400 000) who left after 1967 will have the right to return!

Hassan: Read the second part of the sentence - They can't be "practical" reasons.

Yael: Yes, but you may ask for arbitration.
ABU: This is very, very important for us to market this DoP.

—

ABU: Please give our thanks to RABIN on what he said about TV-broadcasting before elections.

Yoel: On the CWP

ABU: Both parties agree to create and implement a working Programme on the issues mentioned. We should have a special committee to implement it. The guidelines proceed as with a linkage to the multilateral activities.

URI: On I or II shall we establish separate Economic working groups?

ABU: Immediately after the signing of the DoP.

Yoel: We agree in this channel on the DoP. We either sign it by initials or we say the text has been agreed upon.

Abu: You call us, or Terje Larsen.

Yoel: We tell the Americans, this is the document.

Abu: It will be an American proposal.

Yoel: The Israeli delegation will say: no way the Palestinian delegation will say: no way what will happen. This is it? You are not allowed to change one dot.

ABU: NO change. It is accepted

here, it should be accepted there. But we will say: give us some time to read it. We will tell our people - this has been proposed by the Americans and checked with us via the Egyptian channel. We will tell our delegation then: accept it.

Yael: Another question: The Americans will answer this agreement or an American proposal. If the Americans are told the same answers you gave me - for each of the ambiguous sections - they will understand.
Let me elaborate. Sometimes you have an ambiguous language because you do not agree on the substance, sometimes you agree on the substance but you remain ambiguous due to the public effect.
Do you see a mechanism that the substance shared by us - will be departed with the US.
e.g. You remember article 4. It looks like two different things.
I may need it as a counterbalance.

ABU: It is a matter of our agreement. It is possible.

Yael: Let me rephrase my question. We will go back to our decision makers and report.
We may be told: disconnect the back channel.
We may be told: unless you change the following articles, there is no agreement;
or: sign it;
or: Israeli counter proposals -
In order to prepare for all possible scenarios and to seek to overcome potential problems -
What do you say:
You say: "We agree to your formulation";
or do you say: "no change" - "take it or leave it".
I see many ambiguous sentences and many frank explanations that are acceptable
To reach an agreement - how do we move?

I'll give you an example
In the Treaty of Peace with Egypt we added an agreed understanding on several sections. Our assumption was:
the people will read the first document only
Will we have agreed interpretations, therefore!
Therefore we had an exchange of letters
At some times we had a third party letter
There are many possibilities of overcoming difficulties - It is a unique situation.

ABV: We can agree.
In addition, when we come to implementation → it should be followed up by this channel.

Vice: This is a document for a long time. It clarifies also our position.
There are three possibilities. (see above)

ABV: On any follow up - to be done by this channel - we can make side letters.

Keel: Let us turn, to what will happen now in Washington. Can you use your influence to achieve progress in Washington?

Alex: You don't follow the situation. We have difficulties in the delegation. The situation is difficult. We are expecting that this will bring about the real breakthrough. We are not on the ground.

Keel: If you cannot convince the Palestinian delegation to agree to a "watered down" US text, your credibility and (with Reba) will be undermined.

Meier: We can influence them. But we don't

statement is the result of progress.

Uri: The more progress in Washington, the closer it will be for us, to move here.

Yael: We will reject and there will be a decision in Jerusalem. Washington will have an influence on that process.

Alex: How long will it take? We postponed the Central Committee meeting. Everybody is upset. Washington now: the Democrats are upset, the Communists, the Jewish population - others. We need a breakthrough. If we focus on a joint statement it will create even more difficulties.

Yael: The ball is now in our court. We get your explanations, which we like more than the draft. We will present our understanding of the concept of this proposed agreement. We will put our recommendations. Then we will be able to meet. Frankly, I don't believe it can be done in less than several weeks. Almost every article needs a great decision. We are talking about a very

significant document. It took us 15 years to reach this point. I think you should see the situation as realistic as possible. In any event, we have to come back and work out a package.

It means, it will take time to rephrase. To put it in the right words, to work out the details needed.

We are aware of the requirement to do it very quickly.

Allen: If not in this round - it will be difficult for us.

Yuel: The decision-making process takes time. I find most of your explanations encouraging, not all of them. On some issues we still have serious difficulties.

Allen: How will we spend the next round in Washington?

Yuel: The Americans will be more active.

Allen: We want to succeed to influence our delegates.

Yuel: It is not that we cannot; it is our views - we believe that the process there is without substance and content.

Yael: It is a great danger that the Washington process will get stuck.

Alon: It is very hard there - and frustrating.

Uri: Lets say there would be no Oslo. They will say: Oslo is paralyzing the whole process.

Alon: Sure - if Oslo would not exist, since three rounds we would have withdrawn from the peace process.

Uri: It is necessary to create a positive atmosphere.

Meital: There is the issue of substance. There is no substance in Washington. So Hence, on what should we agree?

Uri: I learned a lot from the last time. Now - I can only say - I fully understand the whole concept. It is very complex and intelligent. It may be a difficult exercise - it was very, very worthwhile. It presents a possibility for a breakthrough and opens a way to change the future of Israeli-Palestinian relations. Our intentions are to come to a realistic agreement. This is how we will present it:

We do not want to waste one single day.
But we have to make sure that
DoP+1 will start the right way.

We leave here with a far greater understanding
and with the awareness of the existence
of a common approach.
The key words you used are:
productivity, cooperation and the creation
of mutual trust. We will have to find
a way or have to proceed quickly.
All this keeps the momentum - hopefully until
the ~~we~~ next round.
We thank you for your thoughts we paired,
the patience and the good spirit.
Then: One thing more please: Eliminate from
your mind - the notion - we do not put
up obstacles in Washington. Without this
channel there would be no process. Here
we are dealing with the IC - it is different
and good - we know they want peace.
But we hope you appreciate: we are
really in the corner - without a real
breakthrough - we will lose our
credibility - I hope you will do your

best to push that (the Orlo) process.

Yael: We will do that.

Yael: Let us summarize 11 more points need.

1) One body - versus two bodies;
2) international supervision;
3) bridge text and interpretation;
4) Article 4;
5) a possible 2nd Agreement;
6) Transfer:
   taxation - exclude persons two systems duties;
7) Add external security;
8) an Article 4 - take up the issue of refugees;
9) (eradicate ?) the last page
10) defend the Jura process
11) decide a the international force

TEL AVIV
HILTON
GUEST
STATIONERY

5 יול' 1993

בקשה לסכם בין ישראל והפלסטינים

א. הרקע המדיני: נדמה מזה ימים רבים שיש נכונות הסכם ה-DOP מצדה
הפרה צאייפ כפרטנר למו"מ. מאידך ואייפ לחוש קלקול מזה שם ישראל, כדי
לקבל מאייפ התחייבות ברורה, משלאורי ל-DOP או פלאורי, שאחר אייפ
יהיה פחות נכון לחזור לחזיר ה-DOP.
בנוסף, אין ספק שחלקים בישראל נהנה מזה יהיו שם אייפ מבוזן יחסית
ויו פאלאח. גבירו ועוזרי ובקש לקבל את ההצהרה המחייבת שאייפ
ישים בראש עדיפויותיו ישראל לחזיר כפרטנר למו"מ.
מובן מאליו אלה מוכן לחתימה גם הסכם עם אייפ, בנוסף ל-DOP,
שיכלול את התחייבות אייפ כלפי ~~[illegible]~~ וישראל.

ב. רעיון פרקים להסכם: .

(הערה: אין מחויבות כאן בנוסף הסעיפים, אלא רק רעיונות מרכזיים
לסעיפים שיכללו בהסכם. ניתן לנוסחן, כמובן, גם סדרה נוספים.)

1. ישראל ואייפ מתחייבים להימנע את משלחותיהם לשיחות ולמשאנים
לאחת את בנוסף המוסכם של ה-DOP המבוזן ביניהם, ובזיהם
בהקשר אחרינאות בשיחות ולחתימה שלהן.
2. עם חתימת ה-DOP, אייפ יהיה שמחה לכל תאחרו בשלבים
להפסיק את האינתיפאדה.
3. עם חתימת ה-DOP, אייפ יפסיק את כל פעולות הטרור נגדם ישראל
בשטחים, בישראל ובחול.
4. האחנה הפלסטינית תשקין בשמן שיתוף מלא לפעולה לחתימת
ישראל. לחלופין: אייפ יבטיח כי האחנה הפלסטינית תיכנה ואיבנה את
הקלקה.
5. עם הקמת המשלה הפלסטינית, יפרק אייפ את כוחות הביטחון,

המתקנים הנראים וגיבוי מצויינים שלו צפו מקום עולם, למרכז שאני רוצה ונשק לחופה אחרת. (קיימת אפשרות לקניית כרטיס הזהב שעליו הקופה פה 5-2 שנים).

9. עם הקמת המשרד הפוליטיים, ובקשו ממשרד הפוליטיים הובלה מסיבה לפי בקשת משרדים לעשות ליום השני בלבד, ומשרד המובלה ויתר הציוד הדרוש ישירות. ואחרי מכן, יובלו משם רק ברשותם.

7. מיד עם סיום הליכה עלה מ"ג, יבוא אש"ף עם אחרון את האנשים המלווה לשטחים הפוליטיים, באוטובוס המשרד הפוליטיים. אך ישמש הסיור, יפעלו ג'יפ והמשרד הפוליטיים בשתיים קשים בשטחים הנמצאים בעלות. בוש - מניה פלה משתה לשמוע עם הקופה הפלה.

8. נספח סוכי לפסנה ומרכז את אופן ביטוח הפעולה הבלתי ניתן שבין אש"ף בשטחים ובחו"ל, לרבות שמ"פ מוגנים וכן שב"כ בדיבון הרשות ואופנים חוץ-משטחיים שיפו לשמוע בלבד.

6. עם תחילת הפסנה הרשמי כלפי בין ישראל לאוסטרליה עם פי ה- DOP, תבוא מועלה האוסטרלית לשפטי הטלים לפסיק הזמן הפלפי עם ישראל. בהלכין, אש"ף ובין בקשתו שיניחו דיב למבנן שתדרם.

10. הפסנה יפרט את המועד והמיקום לכינוסים עלה עם מנגני אש"ף בטוניס, את שמות ומתנגים שם הפדרציות עפולים בלבד.

11. הפסנה יפרט את שמות ונקבים הפלסטינים שיאושרו ע"י הוועדה המרכזית לבוקר מיד עם התחילה עם ה- DOP ויפעלו עד קיום הבחירות.

12. אש"ף ימציב שמו נציג בפועה שיהיו יכול בלבד הפעלו עם הטלים. נקודה עלה עם כניסה פי"ג עד שיקח הזמן הפעלו עם הטלים.

ישעיהו פרידר

5 יוני 1943

TEL AVIV

HILTON

GUEST STATIONERY

אלטרנטיבות לפתרון בדיקת עלה לאור פגישה ע"י ד"ר קפלן בשעה 11 עם ראש הקהילה מציע פלישתיים עלה

הערות

1. בכל אחת מהאלטרנטיבות ניתן לשלב הסכם בין אשף ליוצרים על יקבים לעלה עם מנהיגים של אשף - טונים.
2. על אחת מהאלטרנטיבות יכולה לבוא בסדר שוליבי או התייצבות ליוצרים בתקופה של שלום מקומי מצליח.

אלטרנטיבה א'

האולם יושכר לכוחן משני נתניות (צוות מנהיג) ושניהם בפועל מטלה האולם ע"י יהודן ומלרים או יהודן וטונים.

יתרונות:

1. ניתוק מוחלט של יוצרים מכל אחריות לעשה בדיקה.
2. הצוות הקשר בין עלה ליוצרים. משני נתניות אחת יהיו לפיוסיאציה לפיוסה יוצרים.

חסרונות:

1. אין דרך אחת מלרים, יהודן או טונים יסכימו ליטול על עצמן אחריות.
2. תהליך הקמת משני הנתניות ואולם האולם ולאו ביוזן. ארכיטיים.
3. יוזמי הקמת שיבוש יתלחש הכך לקמת משני נתניות אחת ש"ב, בהתאם בירושלים ובעלי מקומי ותחזרו - בכל יום.

4. הנסיעה צריכה להיות מלווה במדריך מוסמך שיוכל לתת הסברים ומידע על האתרים השונים. בנוסף, יש לוודא שהמדריך יכול לתת מענה לשאלות של המשתתפים, בעברית ובאנגלית.

אלטרנטיבה ב'

לחלופין ניתן לשקול (במידה ויהיו לכך בקשות) להסיע את המשתתפים ברכבים פרטיים.

יתרונות:

1. נוחות מירבית של ניידות אחרי האירוע לפי בחירת המשתתפים.
2. גמישות מקסימלית בסיום האירוע בהתאם לרצונם של כל אחד.

חסרונות:

1. עלות גבוהה יותר של הסעות.
2. זמן איסוף ארוך יותר, תלוי במיקום ובזמינות הנהגים.
3. קושי בשליטה כיוון שהנהגים לא יהיו נוכחים במהלך הנסיעה, ועלולים לאחר או לבטל את הנסיעה ללא ידיעתנו.

אלטרנטיבה ג'

ישיבה מיוחדת מדינה, שלא מפאיר מספר ימים סיומלות לתארך הגבלת בין שלא לתגובות ובין שלה לישיבה (בשלב מתאים הודעה). הנסיבה מיוחדת שבה בתשובה בואה. יוקם משפט אוטונומיה אחד ל.ו"ש ומדינה, אולי שכולה - להבדיל מו"ש - בד"כ שופטי המועצה את כל סמכויותיו של הנשיא מדינה. כמובן, שמסיבות בין ישיבה לאשף, וכול אשף על אחת את האחריות לבחון השלם בדינה, בשאלות המשפטיות הפלסטיניות מהכלה.

יתרונות:

1. כל הסמכויות הנוגעות מלכתחילה של אדם כי, כאן האולם או יותר, (נלמים.
2. אין צורך לשנות בשום צד הנושאים הקשורים לסמכות המינהלי של השלמים.
3. ישיבה מסוג זאת תהיה בשלמן מהיר את האחריות לנשיא בדינה.
4. סיכוי טוב לקבל פסק דין לציבור.
5. שם כי אלטרנטיבה זו, לד"כ יוכל יהושיב לפחות בשלב זה בעיות מיוחדים ביותר בדינה כגון שלום, בעלות אומ"ל/יחסים או הדינה של המשפט הפלסטיני בשטחים האחרים. (עם כשר, יש לתרגם של הנשא הישראלית ש"י משפט ישראלי מלחמי בשלמן בתי האחרים).

חסרונות:

1. אין מקובלת יחסית בשה בשלמן בתי האחרים.
2. הצורך לקיים של מספר ישיבות ציבור - עלה אחרי בד, יהיה של האחריות לנשיא בשה.

יואל בינאר

הטיוטה הפלשתינית למסמך עקרונות

מסמך

הטיוטה הפלשתינית למסמך עקרונות משותף, שהגישה המשלחת הפלשתינית לשיחות השלום ביום שלישי השבוע, הוגדרה בפי חברי המשלחת הישראלית כמשקפת "עמדות מקסימום" וכ"בלתי קבילה".

להלן תרגום של נוסח המסמך הפלשתיני, מן המקור האנגלי שלו:

"הקדמה: הצד הפלשתיני והצד הישראלי מסכימים על העקרונות שלהלן, במטרה לאפשר התקדמות במו"מ. שני הצדדים מבינים שעקרונות אלה, המהווים בסיס מוסכם למו"מ ביניהם, חלים על התהליך כולו, עד להשגת הסכם מפורט וסופי.

"1) מטרת תהליך השלום להגיע להסכם שלום צדק, ברקיימא וכולל, באמצעות מו"מ ישיר, המבוסס על החלטות מועה"ב 242 ו־338, על בסיס העיקרון של שטחים תמורת שלום, ובתוך ציות לתוקיות הבינלאומית (INTERNATIONAL LEGALITY). המו"מ בין הצד הפלשתיני לצד הישראלי יתנהל בשני שלבים, הקשורים ביניהם כמכלול אחד אינטגראלי, המבוסס על ההחלטות המצוינות לעיל.

"שני הצדדים מבינים שאין לעשות דבר בתקופת הביניים, העשוי לקבוע מראש או להשפיע מראש על תוצאת המו"מ למעמד הקבע. ההסכם שיושג יביא לכלל יישומן המלא של החלטות מועצת הביטחון של האו"ם 242 ו־338.

"2) הרשות הפלשתינית לממשל עצמי בשלב הביניים (PISGA) תיכון באמצעות בחירות חופשיות, כלליות וישירות, תחת פיקוח בינלאומי נאות. כל הפלשתינאים בשטחים שעברו לשליטת ישראל אחרי מלחמת יוני 1967, אשר היו רשומים במרשמי האוכלוסין ב־4 ביוני 1967, ואשר באו תחת כיבוש ישראלי בגדה המערבית – לרבות ירושלים – וברצועת עזה, וכמו כן צאצאיהם, ישתתפו בבחירות.

"3) הרשות הפלשתינית לממשל עצמי בשלב הביניים תיטול סמכויות חקיקה, הוצאה לפועל ושיפוט.

"4) כל הסמכויות שמתן נוהגים היום הממשל הצבאי והמינהל האזרחי שלו צריכות לעבור באורח מסודר ובשלווה לידי הרשות הפלשתינית לממשל עצמי, עם היבחרה ועם כניסתה לתפקיד. כדי שהיא תוכל להוציא לפועל את סמכויותיה אלה בחופשיות, יתחילו כוחות הצבא הישראליים את נסיגתם, שצריכה להסתיים על פי לוח זמנים מוסכם מראש. הנסיגה והעברת הסמכויות יבוצעו בפיקוח בינ"ל מוסכם.

"5) מטרתם של הסדרי ביטחון היא להשיג יציבות אזורית ולעגות על צרכים הדדיים וכן ליצור תנאים לשלום אמת.

"6) השטחים הפלשתיניים שנכבשו מאז 1967 מהווים מכלול אינטגראלי, והם בבחינת יחידה טריטוריאלית אחת, תחת מערכת משפטית אחת. סמכותה של הרשות הפלשתינית לממשל עצמי תחול על כל השטח הפלשתיני שעליו השתלטה ישראל מאז יוני 67'.

"7) הרשות הפלשתינית לממשל עצמי וממשלת ישראל יחתמו על הסכמים לשיתוף פעולה או לתיאום בתחומים ספציפיים של עניין משותף. ההסכמים האלה יתחשבו בצרכי הביטחון של שני הצדדים ובתועלתם ההדדית.

"8) ועדה משותפת תיכון בין הרשות הפלשתינית לממשל עצמי לבין ישראל, כדי לבחון סוגיות בעלות עניין משותף וכדי ליישב סכסוכים העלולים להתפתח ביניהם.

"9) סכסוכים שאי־אפשר יהיה ליישב בהסכם בין הרשות הפלשתינית לממשל עצמי לבין ישראל יועברו לעיונה של ועדה מתמדת שתוקם, ובה יהיו נציגים של או"ם, רוסיה, מצרים, ירדן, סוריה, לבנון והאו"ם, וכן נציגים של הצד הישראלי והצד הפלשתיני.

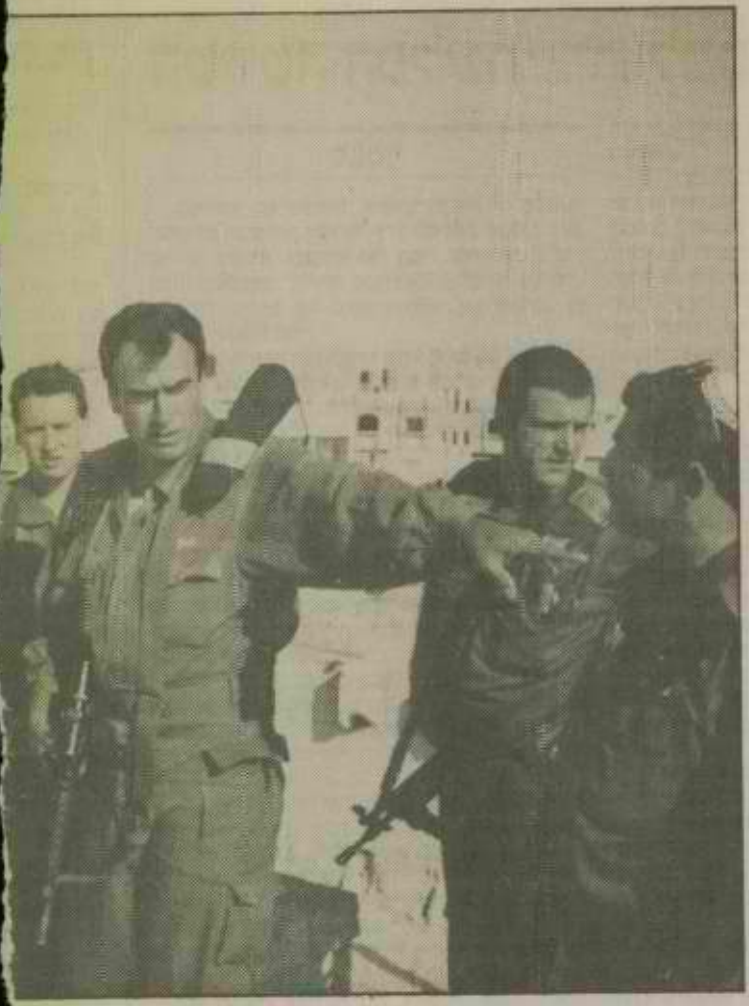
"10) לא יאחר מאוקטובר 1994, יתחיל מו"מ לקביעת מעמד הקבע, כדי לאפשר לעם הפלשתיני להוציא לפועל בחופשיות את זכויותיו הלגיטימיות".



שנדקרו בשכם פעלו
ים"; נבדקים שיקולי
לא לפנותם במסוק

רבין, סופרו הצבאי של "הארץ"

תחקירים על התקפת המחבלים על שני חיילים
נפית צה"ל הממוקמת באזור ככר השעון בשכם.
שלשום, נפצעו מדקירות סכינים שני חיילים.
ין מוגדר אנוש.
קירים נפרדים. התחקיר הראשון מתייחס לדרך
חטיבת הצנחנים, והתחקיר השני מתייחס לדרך
אים, אשר טיפלו בפצועים וקיבלו את ההחלטה
ם ולא במסוק.
עולה, כי חיילי הצנחנים פעלו על פי ההוראות,
צא כל פגם בביצוע הנהלים. אולם, מקור צבאי
לא נקטו בכל אמצעי ההזהירות הנדרשת.
ודרגות הוותעו בקומה השנייה על ידי שלושה
לה, כי החיילים נאבקו עם המחבלים, שגברו
בינים. המחבלים נטלו את נשקם של החיילים
פית ושמע רעשים מוזרים, ירה מספר צרורות
ובלים.
בחיל הרפואה, והוא מתייחס לדרך פעולתם
החליטו לפנות את הפצועים באמבולנס ולא
רופאים שהחלים על הפינר באמבולנס ולא במ־
ים זה לא כבר את ההתמחות הרפואית שלו.
ם, האם שיקול הדעת של שני הרופאים היה
ך הפינוי. נזדע, כי קצין בכיר מחיל הרפואה
שני הרופאים פרטים על שיקול הדעת שלהם
.
חייל הפצוע היה בהכרה בעת שקיבל טיפול
ו הרופאים שלא לפנות אותו במסוק. בדרך
ות ההכרה ואיבד הרבה דם, אך כבר לא היתה
סוק.
ר מיקי וינר, יקבל בימים הקרובים את ממצאי



האלוף וילנאי ומפקד כוחות צה"ל בריצועה תא"ל פטיה עוריבים תחקיר ראשוני בע

מולים

INFORMAL DRAFT

May 10, 1993 NON-PAPER

DRAFT PROPOSAL FOR A DECLARATION OF PRINCIPLES

Preamble:

The Palestinian and Israeli sides agree on the following principles in order to facilitate the progress of negotiations. It is the understanding of both sides that these principles, while constituting agreed bases for their negotiations, govern the whole process until the achievement of the detailed and final agreement.

1. The objective of the peace-process is to reach a just, lasting and comprehensive peace settlement through direct negotiations based on U.N. Security Council resolutions 242 and 338, the principle of land for peace and in compliance with international legality.

The negotiations between the Palestinian and Israeli sides will be conducted in two phases, which are interlocked as an integral whole based on the afore-mentioned resolutions.

It is the understanding of both sides that nothing should be done in the interim period that may preempt or prejudice the outcome of final-status negotiations. The agreement reached will achieve the full implementation of UNSC 242 and 338.

2. A Palestinian Interim Self-Governing Authority (Hereinafter: PISGA) will be established through free, general and direct elections, under agreed appropriate international supervision.

All Palestinians in the territories which came under Israeli control after the war of June 1967, who were listed on the relevant populations registers on 4/6/1967 who came under Israeli occupation in the West Bank, including Jerusalem, and the Gaza Strip, as well as their descendants, will participate in the elections.

3. The PISGA will assume legislative, executive and judicial powers.

4. All powers presently exercised by the Israeli military government and its civil administration should be transferred in an orderly and peaceful manner to the PISGA upon its election and inauguration. For these powers to be freely exercised, the Israeli armed forces shall start their withdrawal which should be completed according to the agreed upon schedule and time limit. Withdrawal

and transfer of authority will be undertaken under agreed international supervision.

5. The objective of security arrangements is to achieve regional stability and respond to mutual needs, as well as to create the conditions of real peace.

6. The Palestinian territory occupied since 1967 is an integral whole and constitutes a single territorial unit under one system of law. The authority of the PISGA will extend to all Palestinian territory which came under Israeli control since June 1967.

7. The PISGA and the government of Israel will conclude agreements on cooperation or coordination in specific areas of common concern. These agreements will take into account the security needs of both parties and their mutual benefit.

8. A joint committee will be established between the PISGA and Israel to consider matters of common concern and to settle disputes that may arise between them.

9. Disputes which cannot be settled by agreement between the PISGA and Israel will be submitted to a standing committee to be established from representatives of the United States, the Russian Federation, Egypt, Jordan, Syria, Lebanon and the United Nations, as well as representatives of the Palestinian and Israeli sides.

10. No later than October 1994, negotiations will commence to determine the permanent status and to enable the Palestinian people to freely exercise its legitimate rights.

16/9/93

נספח

יסודות בקשר שבין ישראל לבין הפלסטינים -
The Principles of an Israeli-Palestinian Understanding.

להלן הנקודות העיקריות:

1. ההכוונה המוסכמת לפיה מטרתה העליונה של המשא ומתן
על הסדר קבע היא סיום הסכסוך והקמתם של יחסי
שלום מאוזנים ויציבים בינינו לשכנינו הפלסטינים:
א. ביטול הטענות הפלסטיניות שאזור השטחים והשטחים יוחזרו
בידינו.
ב. סיום המאבק הפוליטי והדיפלומטי בינינו לבין
הפלסטינים על מעמדה הטריטוריאלי.
ג. הפסקת כל פעולה איבה של בני הפלסטינים נגדנו, מצדם הישיר
ומארגוניהם השונים.

2. יחד עם כינון הסכם שלום, הן כדי לסייע
ולהיות שותפים בהסדרים הביטחוניים: כפיקוח מניעת חימוש
מחדש של הפלסטינים) הן כדי למנוע מספר נוסף.

3. נושא הפליטים הפלסטינים מחייב פתרון שיהיה מוסכם
על שני הצדדים. הפלסטינים-בדגש הפלסטינים שלפי הגדרתנו
אינם פליטים.

4. לשם הגעה לפתרון מלא של כלל הסכסוך הישראלי הפלסטיני
בינינו, יש צורך להסדיר בהסכם הפלסטיני-ישראלי כפתרון
הפלסטיני הישראלי בחלקו לכל הפחות שנקבע.

5. מוקץ ע"י הבסיס בימים שקדמו ליקרע יצ"ר ובכך
(הסיבה לכך היא שבסיס לבסיס) ניטלו גם המיגונים
של גדי הבלשי"ת, כגון: קרוואל מגידם לבסיס הטיפולים,
סרוק משקי גשטאים וציוד נוסף שהוא לא
והבסיס מקולקל כולו כגון כאשר ישראל.

6. אם ורצים שיו"ש אלא לבסיס, מיכון הטנק יקבלם, וכל
הבסיס המוקץ לשמש כבסיס לפורקי בדק ואחזקה.

בברכה,

אלכס כהן

May 6, 1993

NON PAPER

INFORMAL DRAFT FOR CONSIDERATION

AGREED STATEMENT OF PRINCIPLES

Israel and the Palestinians agree to base their negotiations on the following principles:

1. THE GOAL OF NEGOTIATION AND TERMS OF REFERENCE

Direct negotiations between Israel and the Palestinians, in the framework of the objective of a just, lasting and comprehensive peace, based on resolutions 242 and 338, per the Madrid invitation, to be conducted in two phases:

(1) Talks conducted with the objective of reaching agreement on interim self-government arrangements.

(2) Beginning the third year, negotiations on the permanent status will take place. These negotiations will be conducted on the basis of resolutions 242 and 338.

The process is one; its two phases are interlocked in the agreed time frame; the first phase will also naturally bear relevance towards the second phase, with the understanding that all options for the second phase remain open to the parties to agree in the framework of the above mentioned agreed basis.

The terms of reference of this process are the Madrid invitation (attached). Resolutions 242 and 338 are attached as well.

2. GENERAL

During the interim self-government arrangements period, a major change will occur in the existing situation in the territories, by transferring to the Palestinians the vast majority of the functions of the civil administration, which will be dissolved. Israel will maintain responsibility for the overall security of the territories; Israel will also be responsible for the Israelis there. Options should be kept open for the next stage, per the above.

3. THE PALESTINIAN EXECUTIVE COUNCIL

A Palestinian Executive Council (PEC), which will consist of an agreed functional number of Palestinian representatives from the territories, will be established through free, general and direct elections, by and from among the Palestinians of the territories, which will be held under agreed supervision and in accordance with agreed negotiated modalities. Detailed negotiations will follow concerning the modalities for the elections.

4. POWERS AND RESPONSIBILITIES

The Israeli Civil Administration will transfer to the PEC, and the PEC will assume, executive and judicial powers (by independent judicial organs)per the agreement. The PEC will be vested with legislative powers within the responsibilities transferred to it, subject to agreed principles and to mutual confirmation concerning compatibility with the agreement.

Due consideration will be given to the need to review legislation in force in remaining areas, as appropriate.

5. JURISDICTION

The territories are viewed as a single territorial unit, the agreed proper fate of which will be determined in the permanent status negotiations per the above. The authority of the PEC will apply within the territories, as appropriate, in accordance with its agreed operational-functional powers and responsibilities, to be further elaborated in the negotiations.

6. SECURITY AND POLICE ISSUES

a. Overall security will remain under Israel's responsibility. Security needs of both sides will be taken into consideration.

b. The PEC will establish a police force as a law enforcement organ, per the agreement.

7. LIAISON

Israel and the PEC will establish a joint liaison committee to deal with matters of common concern and for the purpose of dispute resolution.

8. AGREED ARRANGEMENTS

Israel and the PEC will establish agreed arrangements for cooperation and coordination in areas of mutual concern, to benefit both sides and respond to their common needs.

9. JORDANIAN-RELATED ASPECTS

Jordanian-related aspects will also be discussed.

The above principles will be further discussed and elaborated in the negotiations.

STUDIES & CONSULTATION

P.O. BOX 486
BETHLEHEM, WEST BANK
Tel: (02) 743343 - Fax/Tel: (02) 743369

للدراسات الاقتصادية والاستشارات

ص.ب ٤٨٦
بيت لحم
هاتف ٧٤٣٣٤٣ - فاكس/هاتف ٧٤٣٣٦٩

COMPUTER OPERATING WORKERS TRAINING COURSE

OBJECTIVES

The objectives of this training course is strengthening the knowledge of the workers with limited information in operating computers and its different programmes. To benefit from this vast knowledge and its various features. Also the various programmes applied to the workers and the employers, to ease and organize their position of work. Taking into consideration the educational and scientific and cultural knowledge offered.

Therefore, the CENTRE FOR TRADE UNION RIGHTS will organise this course, and will comply with the nature of the workers' participants considering taking this course, especially, the workers and employees of the public services sector, threatened to be dismissed from their work, because of their inexperience in computer operating. While the use of the computers is vastly spreading among the local organizations and institutions in the Occupied Palestinian Territories.

This training course will be aimed at workers, whom never had a direct opportunity to operate a computer with its diverse programmes. It should be taken into consideration that the participants will be trained by specialists in this field.

SUBJECTS TO BE OFFERED

1- **General Principles of Computers; which include:**

   a. Historical outlook on the development of Computers, and its application programmes.
   b. Computer Languages and the Binary System.
   c. Computer formation and Main Parts.
   d. Storage Units and Memory.
   e. Operating the Computer.
   f. General concepts.

2- **Disk Operating System (DOS).**

   DOS is a system which includes different programmes indispensable in the computer operation. Also, indispensable for the computer operator, not only for the novice, but for the expert in the field as well.

The DOS system entails the different programmes, advantageous and important, and considered to be the cornerstone to every one desires to learn and understand the computer and its operating system.

3- **Various Application Programmes.**

a. **PCTOOLS;**

One of the most renowned programmes, prepared especially for computer operators to assist in the various operations of the computer.

b. **TNTVIRUS;**

This programme is an anti virus programme, to protect and clean and immunize the operating disk of the computers from the countless viruses threatening to ruin the computer system and programmes.

c.

In addition to these programmes mentioned, other programmes will be illustrated, such as, (Lotus 1,2,3, and WordPerfect), to assist and benefit the trainees in operating the various programmes available in their work.

4- **Al NASHER (Arabic/English/Hebrew Word Processor).**

During this part of the course, participants will learn the fundamentals of typing and word processing, relying on the Al NASHER Word Processor, the dominant and the leading programme in the area.

DURATION OF THE COURSE

The duration of this course is three months, with three weekly meetings, at one hour each meeting, a total of 36 hours.

The duration of this course, is enough to develop the basic knowledge and the dependability to operate the various application computer programmes, especially that these programmes presented, will consume the major part of the period of this course.

TIMETABLE

Implementing this training course, requires a limited timetable, depending on a clear and explicit financial resources. Therefore, this timetable will be divided into two sections:-

A- Short-run:

This suggestion depends on an agreement between the Centre for Trade Union Rights and a proficient institute qualified in Computer training. To provide specialists and professionals for training, also the computers needed for the course, plus all the necessary publications and paperwork and books required and any other assorted expenses for twenty participants, at a cost of $150 USD per person per month.

20 participants X $125 X 3 months	= 7,500 USD
Miscellaneous & Administrative 20 X $25 X 3	= 1,500 USD
TOTAL	= 9,000 USD

B- Long-run:

This proposal suggests that the Centre for Trade Union Rights is to establish a Center exclusive for training and computer programming.

With proficient specialists employed, facilitating the Center for the use of the participants for edification and training. In addition, to conduct computer training courses for women, and night training courses for workers employed inside Israel.

B.1.- Location of the Center.

It is suggested to establish this Center in the City of Bethelehem, since Bethlehem is located in the center between the different cities of the West Bank.

B.2.- Benefiting from the services of the Center.

1- Computer training courses for Workers.
2- Computer training courses for Women.
3- Computer training courses for Trade Unions.
4- Preparing printing materials for studies and researches of the labour movement, in return of a modest income.

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للدراسات الاقتصادية والاستشارات
ص.ب ٤٨٦
بيت لحم
تلفاكس: ٧٤٣٣٤٣ - فاكس/هاتف: ٧٤٣٣٦٩

DATA FOR STUDIES & CONSULTATIONS

INTRODUCTION:

DATA STUDIES & CONSULTATION is registered as non-profit organization. It was founded in 1991 by Palestinian Trade Unionists, Lawyers, Economists to seek ways of improving the conditions of Palestinian Community.

Economic Research Project (DATA), is a community-oriented unit established to serve the Palestinian society and contribute to its economic and social development. Also, to serve the Palestinian community needs in the fields of technical assistance and training. Also, considered its belief in its ability to take is a positive role in providing scientific and technical specialists and experts; and to support West Bank and Gazan institutions and producing sectors to promote their developmental projects through supplying technical consultation, scientific research, training courses, and specialized workshops prepared by experts and specialists from various fields.

DATA aims to respond to the technological and economic changes affecting the Palestinian Community of the West Bank and Gaza Strip, and to prepare for a viable economic future. These prospects require a more highly skilled work force to meet the challenges of a developing society, in spite of the repressive measures of the Israeli occupation. DATA's emphasis on skill-oriented learning that will lead to strengthening and extending the managerial, technical and service skills to the various sectors of the society, in order to keep pace with the changing work environments. DATA places special emphasis on the training of women as an integral sector in the modernization and development of the Palestinian society as a whole.

OBJECTIVES:

DATA aims at guiding the producer: individuals, institutions (Trade Unions, Cooperatives, and Charitable Institutions), and firms in the fields of organization, productivity, administration, finance, labour, marketing, training, and accounting; and at guiding the consumers (in all their consuming aspects) through the following:

1- Providing consultation and other technical and academic services to institutions, firms and individuals locally and abroad. Also, supervising, administrating and following up the execution of such services.
2- Conducting training courses and specialized work-shops in such a manner that complies with the objectives of the Centre; aiming at developing abilities and expertise and

qualifying the participants academically and vocationally so that their contribution to the building of the Palestinian Community is activated.

3- Developing the capabilities and potentialities in the field of community service; and encouraging the Palestinians to contribute to community services.

4- Development of human resources, because of the vital role played by this resource in the institutional and nation-building process.

5- The approach in to direct all resources and professional technical and vocational education and training skills to the technical, managerial, industrial and educational sectors of the society to meet the social, industrial and commercial needs of a developing country's economy.

The outcome of such an approach is to update, upgrade and sustain skills development by supporting, any targeted group, with the knowledge and resources critical to furthering short and long-term development objectives. Our method stresses hand-on-experience and learning through application.

TARGET GROUPS:

1- The present and future technicians, mechanics, engineers and managers of the industrial and business worlds.

2- Trade Unions and unionists.

3- Women in small businesses, cooperatives, and in the social services.

4- Post-secondary education graduates (workers, individuals), seeking retraining for new skills in demand by the changing work environments.

5- Prospective trainees for new skills unknown in the present work environment but have the potential of initiating new work fields and new jobs.

WORKING METHODS:

DATA offers its consultant, technical, and scientific services according to specific agreements with the concerned parties.

The following may be assigned to undertake research, consultation, and technical tasks:

1- DATA employees.
2- Teaching staff and others.
3- Any expert or qualified person from the local universities and institutions, or any unemployed expert in his / her field.

ACTIVITIES:

The fields of DATA's activity include all knowledge domains in which there is availability of specialists and experts whether are academics, or specialists in the developmental and administrative fields; these fields include:

1- **Finance and Economics:**

- Studying and evaluating the financial and marketing regulations of companies and institutions.
- Conducting research about the different economic sectors such as agriculture, industry construction, services..etc.

2- **Development:**

- Making available the scientific experts for community serving and development institutions.
- Convening work-shops in all developmental respects in coordination with the specialists in the field.
- Convening training courses for the development of the labour market.

3- **Administration and Legalities:**

- Offering specialized consultation in local administration.
- Studying and constructing the administrative hierarchies of institutions and firms.
- Participating in the formulation of regulations and instructions.
- Offering legal and arbitrative consultation.
- Conducting courses and work-shops in the administrative and public relation fields for local institutions in cooperation with the specialists.
- Conducting training courses in the fields of scientific research, gathering and analyzing data, writing reports, conducting research for workers in local institutions.
- Evaluating projects, research, and studies.

4- **Rehabilitation:**

- Conducting studies about rehabilitation.
- Conducting training courses for workers in the West Bank and Gaza Strip.
- Conducting rehabilitation courses for the unemployed.
- Offering consultation in these respects.

5- **Project Monitoring and Evaluation:**

- Offering technical consultation in the fields of monitoring and evaluating of producing projects.
- Evaluating research and producing projects of local institutions.
- Conducting specialized courses for workers in producing and developmental institutions in the fields of monitoring, evaluating, and administrating projects.

MODE OF OPERATION:

1- Courses and workshops are designed according to assessed needs. The assessment is done either through surveys and studies already conducted by local or international organizations working in the area, or through direct requests from a specific sector to meet a specific need.

2- Course objectives are set by specialized professionals recruited by **DATA** on a project by project basis. These professionals are responsible for selecting the course designer and the course instructor or instructors from the pool of qualified and interested people from the local universities and or from the community at large.

3- Continuous evaluating of the course and workshops to measure their suitability to meet their objectives, and their impact on the quality and quantity of production.

4- Courses and workshops are to be offered more than once and in different geographical areas (in Gaza Strip for instance) if the appropriate place is available, with the cooperation of the local Trade Unions.

5- Small classes not exceeding 20-30 participants, depending on the course.

6- Follow-up visits of the trainees in their work environments is an important part of the evaluation of the course or workshop. Input from the participants is another important feature of the on-going evaluation process as they can measure the suitability and adaptability of the course to the actual work situation.

DATA ADMINISTRATION:

A DATA council incorporating the General Director of the CENTRE FOR TRADE UNION RIGHTS, Economists, Lawyers, Trade Unionists. The task of this council is to enable DATA to offer its services, succeed in its mission, review and evaluate its programmes, and support the staff in carrying out its tasks efficiently and successfully.

- A coordinator, under the supervision of the council, will follow up the functioning of DATA in which a specialized, technical and scientific team works.

- DATA depends on the technical and scientific expertise in the Palestinian Community, to carry out its objectives.

It should be noted that DATA is currently involved in conducting two major studies:
1. "Integration and Desintegration of the Palestinian Economy in the Future From Israel".
2. "Sustaining Middle Eastern Peace Through Regional Cooperation".

DATA

STUDIES & CONSULTATION

TOURISM

INTRODUCTION:

Training is primary objective in which it is fundamental prerequisite for efficient formulation and implementation of development programmes and projects in the tourism sector.

It need to ensure that:
1. Posses thorough subject knowledge of all forms of available assistance.
2. Know-how of the various assistance institution operate.
3. Advertising promotion and market research are non-existent.
4. To improve quality of products setting quality standards diversity of local services.

BENEFICIARIES:

Target beneficiaries are the Palestinian tourism enterprises, owners, managers, employees of hotels, tour, and travel agencies; from the West Bank, Gaza Strip and East-Jerusalem.

MAIN AIM OF THE PROJECT:

The main goal is to address the development of the human resources through upgrading the technical managerial expertise of Palestinian manpower engaged in the various branches of the tourism sector. This could be achieved through participation of the growing number of colleges, universities, in Israel offering tourism degree or diploma courses.

COOPERATION IN THE AREA OF TOURISM:

The most obvious branches for cooperation is that of tourism, since the country possesses religious places connected to the three main religions. It should be noted that the occupied territories and Israel posses sufficient attributes that makes them tourist attractions. If tourism is really to flourish and revenues are to be maximized then cooperation between the various branches in both Israel and the Palestinian entity is of crucial importance.

SPECIAL CONSIDERATION:

1) Tourism provides employment for young men and women. Tourism is one of the few sectors which employs a high percentage of women; thus this project helps in developing Palestinian women role in society.

2) Tourism development should be planned and managed as a technique for environmental, historical / archaeological, and cultural quality of cities and towns as well as the economic benefits it entails.

3) Tourism development is very essential for the development of the Palestinian private sector.

4) Tourism development should be oriented to maximize Palestinian participation in tourism and the benefits of this sector in East-Jerusalem and the occupied territories.

STUDIES & CONSU

HARVARD UNIVERSITY
JOHN F. KENNEDY SCHOOL OF GOVERNMENT
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Planning for Cooperation in Water Resources in the Middle East

The Institute for Social and Economic Policy in the Middle East
Cambridge, Massachusetts, USA

April 1993

PROJECT PROPOSAL

PLANNING FOR COOPERATION IN WATER RESOURCES DEVELOPMENT AND MANAGEMENT IN THE JORDAN RIVER BASIN

1. Introduction

The availability, distribution, and use of water resources is a crucial issue for each of the five entities (Syria, Lebanon, Jordan, Israel, and the Palestinians) directly involved in the current peace negotiations. Whatever the outcome of those negotiations, water scarcity will remain a vital problem for each of the entities or for all of them together. Moreover, unless there is some agreement on how to handle the water problem, the peace negotiations may founder.

The five entities are contiguous, with the Jordan river basin, including the Yarmuk river, forming the hydrological link among them. In addition, Israel and the Palestinian entity share in the use of trans-boundary ground and surface water flows between the West Bank and Gaza.

Each of the negotiating entities have claims and counter claims as to the share of the water due to it; these claims are major issues of contention. However, *while we understand the seriousness of those claims*, there is an overarching problem for the region -- a problem that must be faced no matter how the claims are resolved. Analysis of that problem, together with the economic focus which that analysis naturally brings, may help the resolution of the issues.

The overarching problem is as follows. Recent studies have shown that, for at least three of the parties -- Jordan, Israel,

and the Palestinian entity -- *no* resolution as to water shares will solve the water problem. This is because, in roughly thirty years, the present *combined* water resources of the three entities will become insufficient to supply even the minimum amount of water required for drinking, domestic, urban, and subsistence fresh vegetable needs for the projected population. *Little or no fresh water will be available for agricultural irrigation.*

This is a matter of major consequence. No matter how water claims are resolved, without additional water being provided for Jordan, Israel, and the Palestinian entity, those three entities *must* experience a major upheaval in their economies and ways of life. Disputing water shares merely consists of arguing over who gets the highest-placed deck chair on the *Titanic*.

It is therefore of great importance to find a just and effective solution to the water problem. What is required is a regional Water for Peace plan based not only on principles of equitable distribution but also on sound management and effective environmental control. Such a plan must contemplate the economic change required to make efficient use of water. It must also consider the provision of additional water to the water-short areas (either by transfer or desalination) where that transfer is economically justified.

This raises an important point. Water is a scarce resource; that is the heart of the water problem. Economics is the science that deals with the allocation of scarce resources and economics tells us that scarcity can be measured and dealt with in terms of prices. Scarce water in the region has a "shadow" price

associated with water demand -- the economic benefit that would ensue from an additional unit of water. That price is probably different for each of the different entities; it would certainly change if water were efficiently allocated within each entity and would be different still under an efficient allocation for the region as a whole.

Scarce water also has a supply price in the region -- the lower of the costs of importing water and of desalination. It is important to recognize that *no matter how important water is* and no matter how high the demand shadow price, water cannot be worth more than it costs to obtain it.

This means that the value of a solution to the water problem can be measured in money terms. Rough current estimates suggest that, even without efficient water management, the present value of desalinating sufficient water to meet projected needs is on the order of ten billion dollars. With efficient water management, the sum could be considerably less.

This has several consequences. First, while ten billion dollars is not an inconsiderable sum, it is within the range that nations think about. Once one realizes that the cost of a water solution cannot be more than that, the water problem ceases to appear totally intractable and it may be possible to aid negotiations by shifting their focus to the economic magnitudes involved.

Second, it appears clear that efficient water management can assist in solving the problem by reducing its economic consequences and the dollar magnitude required. Hence analysis of the economic and politically feasible arrangements involved in a

Water for Peace program can assist the negotiations.

Third, related to this, once water is thought of as having an economic value, each of the entities needs to plan its economy to take that value into account. Activities that are unprofitable at the economic value of water either need to be shut down or else deliberately subsidized. If such subsidization is continued, then its cost must be calculated. The preservation of certain forms of agriculture may be important for reasons of ideology or political stability. But the decision as to such preservation should be made with full knowledge of the cost.

Finally, by calculating the shadow prices of water and how they would change under efficient regional management, it should be possible to estimate the gains in cost-reduction that regional cooperation can achieve. Those gains may very well include an increased ability to preserve subsidized agriculture and its perceived associated benefits.

In summary, then, an economic analysis of the water problem can assist its solution. It can do so by focussing attention on the economic problems that must be faced with or without a solution and on the dollar magnitudes involved in those problems. Once we contemplate the water problem in those terms, then -- serious as the problem remains -- it may be possible to move towards an agreement mutually beneficial in terms that stretch beyond pure economics.

2. Proposed Tasks

A. Principles for Equitable Water Allocation

In this part of the project, there will be a review of the principles of international water law and of the practices and experience of various countries that have resolved complex water allocation issues.

Next, the specific issues associated with the shared trans-boundary water resources of the five entities will be studied. This will include a preliminary inventory of available natural water resource potential and of current uses of shared trans-boundary surface and ground waters. Estimated population growth and absolute minimum water requirements (MWR) needed for population survival by each entity will be estimated. Various possible proposals for equitable water allocations among the five parties will be presented.

B. Economic Analysis and Efficient Use of Water

This part of the project will carry out the economic analysis outlined above, studying the water problem and evaluating proposed solutions in terms of the economics of resource use. The first stage will involve drafting a conceptual section explaining the economic principles involved and setting the stage for empirical analysis.

An attempt will be made to evaluate the water-using activities that are profitable at various prices of water. When the water volumes associated with such uses are arrayed together with the water prices at which they become profitable, a demand curve for water is obtained. This can be done both for each entity in the region and for various combinations of

entities.

Such an approach, of course, assumes that the priority of water uses is the same as their economic profitability. But it must not be supposed that such profitability need be narrowly defined in terms of sold outputs. For example, the proposition that drinking water and other household use is of paramount importance can be accommodated by assigning such activities a very high value up to the MWR needed for survival. Similarly, water-using activities that are believed to have value for ideological or political reasons can be assigned values in these computations. Note that in doing so one must ask the question of how high a price one is willing to pay for such purposes. Performing the analysis with differing values here should be quite informative as to the true cost of such objectives.

Supply curves for water can also be constructed. In the simplest version, a proposal that produces a given amount of water for a particular entity (or for the region as a whole) can be thought of as generating a vertical supply curve.[1] When that supply curve is matched to the demand curve for the corresponding entity, the intersection generates both the shadow price of water and also a list of the water uses that can be accommodated.

In the more general case, one must also consider the cost of importing water into the entity or of desalination. These possibilities keep the supply curve from being vertical, since relatively large water quantities can be obtained if the price is

1 Quantities demanded and supplied can and do change over time, of course. For simplicity of exposition, we ignore this in the current presentation.

sufficiently high. As before, examining the intersection of supply and demand curves will reveal both the "natural" price for water and which water uses can survive given the proposed conditions of supply -- which include the assumptions as to water allocation.

By performing this analysis for the several different water-sharing proposals developed in Part A, the social and economic impact of those proposals can be understood.

The analysis does not stop here, however. The demand curves and shadow price calculations described above depend on the extent to which water is efficiently allocated within each entity and on the extent of regional cooperation. It will be important to consider the extent to which efficient cooperation could alleviate the water problem and also what mechanisms for trade in water might be developed to assist that cooperation.

C. Arrangements and Principles for Cooperative Water Management

This naturally brings us to the next topic. If a formula for the equitable allocation of the shared trans-boundary water can be worked out, developed, it will be essential to develop principles and models for the cooperative management, inspection, and control of the shared water resources. This is essential for pragmatic operational reasons because the quantity of water varies as a result of climatic cycles of drought and flood. It is no less important to assure all the partners involved of the continued equitable allocation of the waters as well as of pollution prevention and quality control.

The first phase of this part of the project will involve studying the advantages and disadvantages of the various

management and control systems and organizations that have been developed over the years by countries sharing international water resources such as the Rhine river.[2]

In the second phase, the study will identify the special problems and needs of the partners in the management of the Jordan river basin and the trans-boundary aquifers. This phase will include the examination of possible arrangements for the joint management and operation of regional water transport projects or desalination plants.

D. Workshops, Seminars and Training Programs

In addition to the above studies, we propose that a series of seminars, workshops and training programs be held at Harvard and appropriate locations in the Middle East accessible to participants from all five of the directly involved parties (e.g., locations in Egypt or Cyprus). The first goal of such meetings will be to enlist a broad circle of experts and policy makers to provide input, feedback and reactions to the project teams draft proposals as they evolve. Such meetings can also serve the function of orientation and training programs in such matters as international water law, economic principles of water resource management, technological aspects of joint regional projects, and management and control of shared water resources.

2 Note the relation here to the study proposed in part A.

3. Management, Budget, and Related Matters

The project will be centered at the Institute for Economic Cooperation in the Middle East at the John F. Kennedy School at Harvard. Some preliminary work has already been done in the form of papers (received from Jordan and Israel and pending from the Palestinians) on the effects of having greater amounts of water available.

To be effective, the project should involve participation by experts from Syria, Lebanon, Jordan, Israel, and the Palestinians. It will be under the general supervision of Franklin M. Fisher, Professor of Economics at the Massachusetts Institute of Technology and will involve one third to one half time participation by Hillel Shuval, Professor of Environmental Sciences at the Hebrew University of Jerusalem.

The proposed budget (preliminary estimate) is $250,000 per year for three to five years.

HARVARD UNIVERSITY
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Economic Policy Planning for the Financial Sector

The Institute for Social and Economic Policy in the Middle East
Cambridge, Massachusetts, USA

April 1993

HARVARD UNIVERSITY
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Institute for Social and Economic Policy in the Middle East

Transition Project

Economic Policy Planning for the Financial Sector

The Institute proposes a policy planning project to design a Palestinian financial system and provide for its coordination with those of Israel and Jordan. The project will be directed by Professors Stanley Fischer, the new chairman of the Department of Economics at the Massachusetts Institute of Technology, and Professor Lester Thurow, the Dean of the Sloan School of Management at MIT.

The economists, lawyers, and board regulators working under Fischer and Thurow will be Israelis, Jordanians, and Palestinians. The project will run for three years, yield products all through that period, and cost $1.0 million.

The need for this project was established in the working group headed by Thurow in this Institute's project on "transition." All co-authors acknowledged that there is a serious shortage of financial intermediaries in the West Bank and Gaza; that a "Palestinian Interim Financial and Monetary Authority" (PIMFA) ought to be established at the outset of the period of interim self-government; and that the primary functions of this Authority ought to be the chartering and monitoring of commercial banks.

Like any other entity, that of the Palestinians should have a financial system that provides four essential sets of services: a stable monetary framework, reflected in low and stable inflation and stable exchange rates; an effective payments system in both domestic and international trade; a system of financial intermediation, which encourages saving and productive investment, and the efficient allocation of investment; and the efficient sharing of risk in the economy, for instance through the provision of insurance.

This project will provide a detailed design of the PIMFA and other aspects of the financial system. It also will anticipate ways in which the Israeli, Jordanian, and Palestinian financial markets will interact; and thus what needs to be done to provide for harmonious, effective coordination among the three.

4.27.93

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Fiscal Arrangements Under the Palestinian Self-Governing Authority: Revenue and Expenditure Recovery Schemes

The Institute for Social and Economic Policy in the Middle East
Cambridge, Massachusetts, USA

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Fiscal Arrangements under Palestinian Interim Self-Government: REVENUE AND EXPENDITURE RECOVERY SCHEMES

(A suggested research outline)

Assuming that the economic relationships between the PISGA and Israel will be based on the free movement of goods between them, the lack of tax-borders will require that some mechanism be set up for the apportioning of the revenue from indirect taxes paid by the residents of the West bank and Gaza to the Israeli exchequer.

Given tax-borders, exports from Israel to the Territories would be taxed not in Israel but on their importation into the West Bank and Gaza, with the revenues accruing to the fiscus of the latter; while exports from the West bank and Gaza into Israel would be taxed not in the Territories, but in Israel. With goods moving freely, however, taxes such as VAT will be imposed on the origin, rather than the destination priciple. Because the trade surplus of Israel with the Territories is very big, the resultant distribution of revenues between Israel and PISGA will be far removed from that which would obtain in the presence of tax-borders. To approximate the latter distribution, some mechanism will have to be devised for the reapportioning of the combined indirect tax revenues between Israel and PISGA.

Such a mechanism would have to:

(a) Provide the terms for the construction of a schedule for the allocation of the combined revenues.

(b) Monitor the data changes in which could require revisions in the above mentioned schedule.

(c) Provide a mechanism for the introduction of such revisions.

To illustrate the type of problems which will have to be treated, consider the case where one party wishes to raise, say, VAT, while the other objects to the raise. A possible solution could be for the party requiring the change compensating the one opposing it by agreeing to rebate to it a larger portion of the combined revenue. Such an arrangement, however, might result in either stallmates or blackmail, all changes suggested by one side being always opposed by the other one. The experience with the EC's Common Agricultural Policy (CAP) may be of relevance here.

A similar problem arises also with respect to the expenditure side, the benefits of the two sides from the fiscal expenditure of the other ones not being of the same magnitudes.

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Institutional Structure for the Palestinian Economy

The Institute for Social and Economic Policy in the Middle East
Cambridge, Massachusetts, USA

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Institute for Social and Economic Policy in the Middle East

Institutional Structure for the Palestinian Economy

A Draft Proposal

In a very short time, following a political a political agreement, a Palestinian interim self-government may be established that will assume control over many areas of life in the West Bank and Gaza. For the interim period to be productive, an effective institutional structure must be planned and implemented. Such a structure will have the double role of managing the sectors under Palestinian control, including the economy, and of coordinating its policies with those of Israel and Jordan.

A. Assumptions:

This proposal will focus on planning the structure of economic institutions of the new authority.

The assumptions for the project are as follows:

- The Palestinian interim self-governing authority will have control with regard to natural resources (such as land and water), and with respect to trade, taxation and finance.

- The new Palestinian entity will be run as a democracy, and will have an open market economy, with a relatively small public sector.

- The Authority's first step will be to rapidly assume control of the existing institutions of the current Israeli Civil Administration for the West and Gaza, replace the Israeli officers but leave the bureaucracies intact to provide the Palestinians with an organized point of departure.

B. The Team:

The plan for the structure of Palestinian economic institutions will be designed jointly by a group of Palestinian, Jordanian, Israeli and American economists. This combination will allow us to draw on the expertise and experience of the different groups, and will increase the chances of successful coordination among the Jordanian, Palestinian and Israeli economic institutions.

C. Process

Step One: Inventory and analysis and required institutional resources

The inventory will consider three types of institutions:

1. **Institutions currently engaged in the administration of essential functions.**

These institutions are likely to be part of the structure of the Israeli Defense Forces Civil Administration. In analyzing these institutions, we will first consider in detail the functions and operations of these units, so as to assess their compatibility with the functions of the expected autonomous authority. We will also analyze the degree to which the mandate of these organizations (their procedures as well as their assigned purposes) will have to change as autonomy increases.

The plan will also evaluate the professional and technical skills of the existing staff and will suggest the desired training programs for technical and managerial positions.

Lastly, we will analyze the structure and procedures of existing Higher Councils (like the Higher Council of Education) and evaluate how they fit with the structure of the new Authority.

2. **Institutions that will be needed to carry out new functions that will emerge as the transition proceeds.**

This analysis presents greater difficulties, as the needs here will have to determined by the political arrangements that govern the interim period. Nevertheless, anticipatory planning is necessary even if the analysis is done based on different sets of assumptions.

3. **Institutions, including NGOs (non-governmental organizations), which can support essential public activities.**

we will offer here an analysis of the scope and operations of these institutions and suggest changes that might be needed as the self-governing authority gains more control over the economy.

Step Two: Suggested Structure of Economic Institutions

Based on the inventory and analysis done in step one, we will plan in detail a suggested institutional structure. This structure will deal both with the economic needs of the self-governing authority, and with the needed coordination with parallel institutions in Israel and in Jordan.

We will also suggest a short and long-term training plans, based on the needs of the evolving institutional structure.

4.27.93

HARVARD UNIVERSITY
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New Initiatives in Health: Planning for Transition and Promotion of Regional Cooperation

The Institute for Social and Economic Policy in the Middle East
Cambridge, Massachusetts, USA

April 1993

It is important now to anticipate opportunities the peace process may bring and at the same time help address the urgent problems which the West Bank and Gaza face now and prospectively. There is both the need and the occasion now to plan for the transfer of authority and responsibility for health services in the West Bank and Gaza and to promote new opportunities for broad regional cooperation in health.

These initiatives will require the deep involvement of senior health professionals, health planners and health economists in the region, and that involvement is assured. The initiatives will require an external and neutral source of momentum and technical collaboration. That role will be played by Harvard University. The initiatives will require financial support for a three year period totaling two million dollars.

1. Goals and Outcomes

The proposed program has two goals:

* to assist the development and implementation of a plan for transfer of authority and responsibility for health services and for the transition period in health in the West Bank and Gaza including the regional cooperation that would be helpful in effecting a successful transition;

* to promote regional cooperation in health among Egyptians, Israelis, Jordanians, and Palestinians and with nationals of other countries in the region as political conditions permit.

At the end of the three years, the proposed program will have:

* contributed to getting a successful transition stage underway

* helped to build the institutional and human resources infrastructure needed to sustain the transition in health services and medical care;

* promoted extensive and growing regional cooperation in health;

* made significant progress toward institutionalization of regional cooperation in health.

2. Content and Patterns of Work

The work to support planning, policy analysis and implementation for the transition in the West Bank and Gaza will focus on:

- Health data systems and data analysis
- Public health
- Human resources (including a medical school)
- Health care finance
- Organization and delivery systems
- Institution strengthening and capacity building

The work to promote regional collaboration will focus on much the same topics. Indeed, the degree of overlap is both obvious and fortuitous. The activities are mutually supportive. More detail on the content of the work is given on the pages which follow.

The proposal to undertake this work is the culmination of a process begun more than a year ago at Harvard University -- a process that will now continue as the mechanism for doing the work. Leading health professionals, planners and economists from four countries and places in the region, along with colleagues from Harvard, put together this proposal in workshops at Harvard and in the Middle East and by intensive communication between meetings. Each individual is now committed and (as appropriate) authorized to lead and undertake the work. Two or three senior people at each location in the region will identify and involve other appropriate individuals and institutions, take responsibility for collaboration, communication, products, schedules and quality control; and together will constitute a Program Steering Committee.

The lead Palestinian and Israeli individuals in the Middle East are:

Dr. Anis Al Qaq, Health Services Council, Jerusalem
Dr. Farouk Abdul Rahim, Makassed Hospital, Jerusalem
Dr. Dan Michaeli, Tel Aviv Sourasky Medical Ctre.
Prof. Gur Ofer, World Bank
Dr. Itamar Shalit, Tel Aviv Sourasky Medical Ctre.

Leading health professionals from other countries in the Middle East also participated in the design of the proposal.

The lead individuals at Harvard and also members of the proposed Program Steering Committee are:

Prof. Jospeh Newhouse, Principal Investigator
Dr. Charles Myers, Deputy Principal Investigator and Program Manager
Prof. Leonard Hausman, Senior Program Advisor
Ms. Anna Karasik, Senior Program Advisor
Dr. Donald Shepard, Senior Program Advisor

Harvard will continue as convenor, program manager, catalyst, providor of technical collaborators and conduit for provision of financial resources to all participants in the program. Harvard faculty involved in the development of this proposal will lead, drawing in other individuals from Harvard and elsewhere -- people who are among the best in their fields and as committed to the work and the process as the participants from the Middle East. The role of the World Health Organization (WHO) will be to perform the following functions:

- Liaison with donor organizations
- Participation in the Program's Steering Committee
- Policy guidance.

3. Planning and Implementation for the Transition

The proposed program will assist with planning, policy analysis, and implementation for a transfer of authority and responsibility for health services in the West Bank and Gaza. The program will move forward in a sequence consistent with the peace process, trying to deal with urgent and immediate issues and opportunities. Clearly, improvement of health care and health status in the West Bank and Gaza is desirable in any case. Simultaneously, work on longer term and regional issues will be supported.

A starting point for both categories of work will be the proposed program's assistance in the institutional development of the newly-established "Higher Council for Health" (HCH). The HCH was established in order to become the central body for health in the West Bank and Gaza, analogous to the existing Higher Council for Education. The objective of the HCH is to be responsible for planning, setting priorities among health conditions and health programs, establishing and maintaining an information system, designing finance and delivery systems, channeling public resources and international assistance, credentialing providers, guiding cooperation between private and public sector providers, and assuring overall sustainability and quality of health services and medical cared. Assistance in institutional development of the HCH will include, as requested, work on organizational structure, budgeting, staffing options, information systems design and implementation, and training and workshops to build planning, analytic and managerial skills drawing on regional as well as international expertise.

A second type of initial activity will be assisting the upgrading of existing health professionals and of health facilities management, made possible by coordination for the first time of international aid flows by the HCH. Upgrading would draw on regional experience collected in a series of "country papers" (see Regional Cooperation, below) on regional and international expertise, on careful analysis of the characteristics of effective

and efficient providers already operating in the West Bank and Gaza in the three health sub-sectors: public, private and UNRWA; on pilot testing and monitoring of promising innovations and models, and on systematic training and retraining.

A final category of shorter-term activity would be assistance in collection and analysis of basic data on the current health system and health status in the West Bank and Gaza. Some data have been or are being assembled on mortality and morbidity and on health professionals, clinics and hospitals, but there are gaps that need to be filled and analyses to be undertaken. Most important, there are few data and not much analytic capacity for creation of "health expenditure accounts" -- the sources, amounts and activities supported by financial flows (public, voluntary, and household) to and within the health sector. Health accounts are needed for addressing efficiency and equity objectives. Development of health accounts and work on health care finance issues more generally will be a special emphasis of the proposed program.

Longer-term work will proceed concurrently as political conditions permit and on the basic premise that support from the proposed program should help the HCH and other decision makers in the West Bank and Gaza to make policy choices that are based on maximum learning from successes and failures elsewhere in the region (and internationally), on the best possible analyses, and where no clear best choice is evident, in a fashion which keeps options open until the most promising alternatives can be tested.

The proposed longer-term work will focus on assisting the HCH and other decision makers in implementation of the recently completed "National Health Plan". Drawing on regional and international experiences and expertise, assistance may include, as requested, help on the following activities and tasks:

- establishment of a health data system
- priority setting, among public health and health care activities using techniques being developed at Harvard for the World Bank
- analysis of finance needs and options based in part on a Health Finance Planning Model developed by Harvard faculty for the World Bank
- design and evaluation of insurance schemes based on actuarial and economic analyses
- design of delivery systems based on cost effectiveness analysis
- training options including a feasibility study for a Palestinian medical school and of potential regional cooperation in such a medical school and in specialized training and up-grading.

4. Regional Cooperation

Regional issues are problems or opportunities for which the solution requires or would strongly benefit from cooperation among countries or areas in the region. Considerable regional cooperation has already been described as essential and beneficial for the transition. Control of outbreaks of infectious diseases obviously requires regional cooperation, and this has occurred in the past on an ad hoc basis to contain outbreaks of Rift Valley fever, measles, and polio. Other regional issues include environmental pollution, externalities and economies of scale in the management of other infectious diseases, such as schistosomiasis or leishmaniasis, research and education, and the delivery of tertiary services.

The proposed work on regional issues, under the direction of the Program Steering Committee, will begin with "country papers" to be prepared by Egyptians, Israelis, Jordanians and Palestinians, and perhaps other Middle East nationals as well. The country papers will present succinctly and consistently, in ten to twenty pages, existing system descriptions for each part of the region. The country papers also will identify and describe examples of successful innovations used in each area to address health conditions of high priority and innovations in organization and delivery of services and in financing, management, education, training and retraining of health professionals. The idea is to identify solutions that (1) work in settings with identifiable characteristics, (2) promise significant impact on priority problems throughout the region, and (3) could be replicated or expanded in settings with similar characteristics elsewhere in the region. In this way, participants can begin the process of learning from each other, promote the sharing of successful experiences within the region and promote the process of transition.

The next step in the proposed work on regional cooperation, as political conditions permit are: a feasibility study and initial steps to establish a regional Epidemiology Network or Board which would compare, interpret, and analyze epidemiological data to strengthen control programs against major diseases and outbreaks; coordination of containment efforts, vaccine policies and programs; feasibility studies and initial steps to establish regional referral medical centers blood and organ banks, a regional FDA and reference laboratories, and regional emergency and disaster services; feasibility studies and steps to promote collaborative health education activities -- as was described as part of the planning for a Palestinian medical school -- such as specialty residencies in selected hospitals in the region, faculty exchanges and regional recognition of medical and paramedical degrees.

Finally, the proposed work on regional cooperation will from the beginning seek ways to institutionalize the cooperation so that it

continues and builds as time goes on. In addition to the proposed regional Epidemiology Network, a feasibility study will be undertaken on the establishment of a private "Middle East Center for Health Policy" which would have an international Board of Directors, a regional Executive Committee, rotating leadership, and which would be based in a major city in the Middle East, as determined by the Steering Committee.

A FUNDING PROPOSAL FOR THE SUPPORT OF TWO MAIN STUDIES:
"DEVELOPMENT OF PHARMACEUTICAL INDUSTRY"
&
"REGIONAL COOPERATION IN TOURISM"
IN THE OCCUPIED PALESTINIAN TERRITORIES

SUBMITTED BY: DATA STUDIES AND CONSULTATION

Studies & Consulatations - P.O.Box 486 - West Bank, Bethlehem - Tel. (02) 743343, Tel. & Fax. (02) 743369
للدراسات الاقتصادية والاستشارات - ص.ب ٤٨٦ - بيت لحم - هاتف ٧٤٣٣٤٣ (٠٢) فاكس/ هاتف ٧٤٣٣٦٩ (٠٢)

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INTRODUCTION

Economic relations between the Occupied Palestinian Territories and Israel have become since 1967 one of central fields through which Israelis and Palestinian have sought to pursue a wide range of interests, other than those of a strictly economic nature, given their divergent claims and aspirations and their deep rooted mistrust it was not surprising that the two sides have in most cases embarked in their Economic relations on courses of conflict and cooperation. So instead of playing a pacifying role, economic issues have exacerbated differences and further separated Israeli and Palestinians.

The economy of the Occupied Palestinian Territories has witnessed structural changes reflecting the severe impact Israeli policies and practices for 25 years of its occupation.

Israel economic policies in the Occupied Palestinian Territories are uphold by a number of interviewed objectives which are targeted foremost to meet Israelis interested until the Intifada.

The industrial sector has virtually stagnated despite a steady flow in national income demand in the economy as a whole largely generated through a steady flow of external resources. As in agriculture, growth in the industrial sector has been equally stifled by severe shortage of capital and appropriate skills, market limitations and lack of a wide range of infrastructural requisites. The bulk of capital formation, resulting mainly from private investment, has been directed to residential and other construction works aimed at meeting house shortages, maintaining a stake in land rights and at guarding against strong inflationary pressures and political uncertainties.

Poor performance in the major productive sectors has resulted in a rapidly growing percentage of the labour sector force becoming increasingly dependent upon infavourable employment opportunities in Israel and the rest of the world. The process has had little, if any direct impact or contribution to the building up of the productive base of the indigenous economy. More than forty percent of the Palestinian labour force has been officially engaged in Israel alone as low paid daily wage earners.

JUSTIFICATION

The Palestinian economy under 25 years of occupation has performed through impulses often alien to its own interests and lacking a clear sense of direction. There are no appropriate indigenous Palestinian institutions with authority to examine and alter the course of events by identifying priorities, designing strategies and providing guidelines for policy measures aimed at including and assisting entrepreneurs in their efforts to contribute to the growth and development of the economy. Individual and institutional initiatives, often based on ad hoc assessment of the situation and motivated by various consideration, have been unable to make much headway. At the international level a wide range of bilateral and multilateral activities have followed a similar approach with little coordination to ensure the optimum use of resources and the effectiveness of their impact.

In 1988 the legal and administrative disengagement of Jordan from the West Bank has posed new challenges to the Occupied Palestinian Territories. Meanwhile, the mounting sanctions imposed by the Israeli authorities in the wake of the Palestinian Intifada have compound the constraints that confront the Palestinian people in their effort towards achieving self-reliance, safeguarding their economic integrity and protecting indigenous institutions. The responsibility of the international community acquires special significance as the dimensions of these challenges and obstacles continue to grow.

In light of the rapidity deteriorating economic and social situation of the Palestinian people and bearing in mind the growing need for the immediate revival of their economy and its future development, it is proposed to undertake and action-oriented inter-sectoral study of the problems and prospects of the Palestinian economy.

DEVELOPMENT OBJECTIVES

The development objective of this project is to promote self-sustained growth and development of the Palestinian economy.

The ability of the Occupied Palestinian Territory to sustain its own growth is increasingly threatened by the predominance of a range of institutional, physical, operational, and other constraints, most associated with 25 years of occupation.

Certain growth has been observed in some productive branches on the Palestinian economy, this growth has often been achieved in a haphazard manner and under sever constraints. However, the

development process as an essential need must have the chance to perform its role in generating and challenging the economy's potential.

Taking into consideration the changes in political circumstances especially after the Peace negotiations which started in MADRID in October 1991, real development based on overall planning is essential. What can be done during the transitional stage however, is to concentrate efforts on building up the infrastructure of the Palestinian economy.

The main objectives for development strategy that could be adopted is as follows:
a. Strengthening the infrastructure on three levels; production, services, and marketing.
b. Local institutions has to be the main implementation tools for any development project.
c. Coordination with other funding resources is vital for helping in building up the economy of the Occupied Palestinian Territories for the transitional period.
This coordination could be best utilized if effective monitoring and information exchange policy, and also avoiding any duplication.
d. Projects should be economically viable, based on real feasibility studies oriented towards facilitating the economical need of self-reliant and job creation.

IMMEDIATE OBJECTIVES

The immediate objective of this project is to provide a substantiate framework along with guidelines for feasible strategies and policy options for the immediate revival and growth of the Palestinian economy.

1. Output.

The output envisaged under this project comprises three parts:
a. A comprehensive survey of the pharmaceutical industry and tourism in the Occupied Palestinian Territories, its immediate problems and needs;

b. An in-depth analysis of prospects under different scenarios for the future development of the Palestinian economy;
c. A strategy framework and policy guidelines for the immediate revival and future growth and development of the Palestinian economy, and their ability to cooperate within other economies in the region.

2. Activities.

a. Compile all the existing statistics as well as studies and reports prepared on the pharmaceutical industry and tourism in the Occupied Palestinian Territories, both at the macro and micro levels as envisaged in the outline of the study.

b. Assess the adequacy and reliability of the information so collected, determine its shortcomings and up-date areas where appropriate, including undertaking field investigation as may be required.

c. Analyze the information by identifying problem areas and immediate needs.

d. Investigate growth prospects through different scenarios reflecting alternative priorities, objectives, targets, and policy option.

Prepare a feasible policy framework concentrating on immediate measures in pharmaceutical industry and tourism helping in the revival of the Palestinian economy and providing strategy guidelines for its growth and development into the 1992s.

PROPOSAL

A. "DEVELOPMENT OF PHARMACEUTICAL INDUSTRY"

The pharmaceutical industry in particular, has been an increasingly important one in the West Bank. Prior to 1967, there were no pharmaceutical companies either in the West Bank or Gaza Strip, as of the end of 1991 there were 18 companies in the West Bank and one in Gaza Strip, (which is essentially a small-scale toiletries enterprise). However, most of these companies do not manufacture pharmaceutical, but rather repackage chemicals.

OUTLINE:

1. Introduction.
   - 1.1. History of Pharmaceutical Industry in the Occupied Palestinian Territories.
   - 1.1.1 Pre-occupation.
   - 1.1.2 Since-occupation.
2. Present development of Pharmaceutical industry in the Occupied Palestinian Territories.
   - 2.1 Types of drugs produced.
   - 2.2 Immunological testing of drugs.
   - 2.3 Research on types of drugs produced.

3. Market share of Pharmaceutical Industry in the Occupied Palestinian Territories foreign drug market.
   3.1. Consumers:
   3.1.1 Hospitals.
   3.1.2 Pharmacies.
   3.1.3 (NGOs)
   Community clinics by non-governmental Organizations
   3.1.4 General Practitioners (GPs).
   3.1.5 Specialists.

4. Quality Control.

5. Technical aspects of PI in the Occupied Palestinian Territories
   5.1 Number of qualified personnel in Pharmaceutical Industry field.
   5.2 Research experts.
   5.3 Materialistic resources.

6. Impact of the authorities on Pharmaceutical Industry in the Occupied Palestinian Territories
   6.1 Obstacles and restrictions

7. Immediate needs for the development of this sector

8. Sphere of coordination on the Occupied Palestinian Territories, Israel and Jordan in Pharmaceutical Industry.

B. "REGIONAL COOPERATION IN TOURISM"

The promotion of regional tourism in the Middle East offers a variety of important advantages. Practical measures may be implemented within a relatively short time span; the coordination of tourism promotion activities will serve business and economic interests of each area and country , investment in tourism will create a great number of employment. The regional cooperation in tourism will tend to create an atmosphere of understanding and peace.

Proposal will take into consideration, the need to offer every region optional gains, while maintaining complete independence of the national tourism organizations.

OUTLINE:

1. Introduction
1.1 History of the Middle East
1.1.1. Historical Background
   a) Ancient times
   b) Middle Ages
   c) Modern times

2. Palestinian Tourist Sector pre-1967

3. **Major factors effected the Palestinian Tourist Sector since 1967.**

4. **The Role and structure of the tourist sector 1967,1992.**

5. **Possibilities for Cooperation.**

   - Economic Commercial Cooperation.
   - Integration of knowledge and known how.

6. **Cooperation in the Area of Tourism.**

6.1 Joint Ventures.

6.2 Encouraging Tourism in the Region in terms of:

   a) Religious
   b) Historical
   c) Archaeological - excavations
   d) Sports

7. **Crucial Factors for Cooperation to be developed.**

7.1 Peace Agreements.
7.2 Territorial Differences.
7.3 Political Differences.
7.4 Security Measures.
7.5 Exchange of Tourist offices.
7.6 Tourism Policy per each economy concerned.
7.7 Freedom of Movement and Removal of Barriers.

8. **Promoting Regional Cooperation in Tourism.**

8.1 Phase one:

Coordination and Cooperation Planning

   a) Promoting Religious Tourism.
   b) Promoting Historical Tourism.
   c) Planning additional means of transport and communications.

8.2 Phase Two:

   a) Promoting Sports and Desert Tourism.
   b) Promoting Coordination in Vocational Training Activities.
   c) Investment.
   d) Transport and Communications.

8.3 Cooperation among Countries in the region.
8.4 Joint Sales Promotion.
8.5 Coordination and Organization of Multi-National Tourism event.
8.6 Joint Tourism facilities.

8.7 Joint Preparation of Professional staff.
8.8 Joint Research.
8.9 Establishment of Regional Tourism Centre.

9. Role of USA/EUROPE/Japan.

10. Conclusion.

TIMETABLE

The study on both proposals A and B will be carried out by researchers and specialists who will cover all aspects of this study. In addition, intensive field work will be undertaken in order to have complete results, taking into consideration the special circumstances of the West Bank and Gaza Strip.

It is expected that work will commence after drawing up of a formal agreement. The study is due to be completed after one year, unless a force-majeure clause is otherwise invoked.

BUDGET[1]

Despite the importance of work study in the present situation of the peace process, which will exclude limited results. The teams of economists and specialists will work to resolve all aspects mentioned in the proposal. These results will form the basis of a material study for both sides in future relations.

A. The work team of specialists are:

LABOUR	PERIOD	TOTAL
2 Economists	12 months	US $ 19,200
1 Chemists	8 months	US $ 6,400
1 Tourist specialists	8 months	US $ 6,400
1 Linguists	6 months	US $ 3,000
1 Secretary	12 months	US $ 6,000
Grand Total		US $ 41,000

B. It includes field researchers and other expenses:

1- Two field researchers: One in the pharmaceutical industry and one from tourism. They need to contact different institution for the purpose of gathering data and studies concerning the pharmaceutical and tourism sector. They will be working for the period of four months with monthly salary of

[1] The needed expenditure indicated is for both studies (A&B)

US$400 = 2 X 4 X 400 = US$ 3,200 (I)

C. Transportation: The team has to travel between the West Bank and Gaza Strip and to Israel for the purpose of interviews, collect data, and discuss certain issues and ideas with the Israeli counterparts for the period of six months needed expenditure for sixth persons.
The needed expenditure is US$ 4,000 (II)

D. Stationary, Administration, Correspondence, Photocopying: This will also include interviews expenditure.
The needed expenditure US$ 3,000 (III)

E. Services and other miscellaneous Expenses: There is a need for specialists and technical assistance: The team will need to discuss and meet with specialists for technical advise and help on specific topics relating to Pharmaceutical Industry, and tourism. It should be taken into consideration that some parts of the study requires technical consultation from experts concerning aspects of development, human resources, and strategies. The needed expenditure = US $ 2,500 (IV)

- Computer Services: Mainly to input and analyze data collected. This will cost = US $ 2,500 (V)

- Contingency at a cost of = US $ 2,000 (VI)

GRAND TOTAL US $58,200

SUBMISSION OF REPORTS

A three months report will be submitted in which the progress of the study will be summarized. A final narrative and financial report of six copies shall be submits on completion of the report.

INITIAL ORGANIZATIONAL IDEAS AND SUGGESTIONS OF SIMCHA BAHIL ON INDUSTRIAL DEVELOPMENT AND COOPERATION IN INDUSTRY IN THE WEST BANK AND GAZA (WBG) AND ISRAEL*

I. PERIOD COVERED BY PROJECT

1. Past

a. Review and analyze past state of industry by sub-sector in the WBG and to a lesser extent in Israel and Jordan.

b. Critical review of relevant literature (Hebrew, English, Arabic) on WBG, Israel and Jordan and relevant analogies and models.

c. Review and discuss obstacles to development of the WBG - both as a result of the occupation and indigenous factors.

d. Analysis of relevant past economic data, indicators and statistics - especially the most recent past.

2. Present

a. List and analyze resources - manpower (from unskilled to highly qualified), raw materials and natural resources, capital resources and potential stment, and locational (geographic and ethnic proximity).

---

* and to a lesser extent in Jordan.

1. Beken
2. Mo02 -

b. Quantitative estimates of existing state of industry (or manufacturing) in relevant areas/sectors.

c. Qualitative analysis of present situation in WBG and possible steps for improvement (prior to achieving interim settlement).

3. Immediate Future: Interim Settlement

a. Expected and/or mutually desired economic features of agreement as it pertains to industry in the WBG and Israel.

b. Listing of possible areas for industrial cooperation and development between Israel, the WBG and Jordan (and possibly further ahead), and a short list of recommended actions and projects (possible recommendations to Israeli government and PISGA).

c. Forecast analysis of expected economic consequences of developments on industry during period of interim settlement with a range of possible results.

4. Future: Post Interim Final Settlement

a. Explore different range of scenarios and subscenarios and their likely impact on industry (e.g. two state solution with varying degrees of cooperation, extension of two state cooperation to include Jordan, other outcomes).

b. Discuss possible areas of cooperation under final settlement including an exploration of possible options and impact on infrastructure.

II. POSSIBLE APPROACH AND METHODOLOGY

1. The Researchers

The two manufacturing researchers should work closely together. Each will be responsible to concentrate on agreed areas for research and reporting. In addition, there will be areas of joint research and reporting. These should be discussed as soon as possible. Both researchers (Simcha Bahiri and Ibrahim Matta) will also coordinate and cooperate with other members of the team/project.

2. Analogy as a Model

Relevant analogies will be examined and analyzed. These include Israel's early period of development (1950-1965); European Common Market (including its early development and treatment of its less developed areas); Free Trade Areas and their impact on industrial development; industrial development policy in the "Asian Tigers" and other less developed economies.

3. Review of Relevant Industrial Development Models

A brief but critical review of relevant industrial development theory and models.

4. Review of Forecasting Methodology

A review of relevant forecasting methods with special emphasis on normative forecasting on a procedure leading to policy recommendations.

5. Low Military Budgets and Eonomic Development

A comparative analysis of countries with low military budgets (such as Japan) with those with high military budgets.

6. Cobb-Douglas Functions and Industrial Productivity

A brief review of the Cobb-Douglas functions and how it may be applied to both Israel and the WBG and their industrial productivity.

III. POSSIBLE TOPICS FOR CONSIDERATION (IF RELEVANT)

1. Protection of infant industry versus export orientation.
2. Relation of state and public sectors.
3. Industrial cooperation within separate economies and quantification of benefits of said cooperation.
4. Research and development (R&D) and technology transfer.
5. Industrial standards.
6. Ecological impact of industrial development.
7. Penetration of Middle East market.
8. Joint penetration of Western economies.
9. Marketing of industrial products.
10. Potential sources for industrial investment.
11. Related infrastructure development (electricity, transportation - including Gaza port, communication, water, industrial estates, etc.).
12. Industrial services (training centers, advisory centers, banking and credit, cooperatives, etc.).

13. Government assistance, subsides and grants.

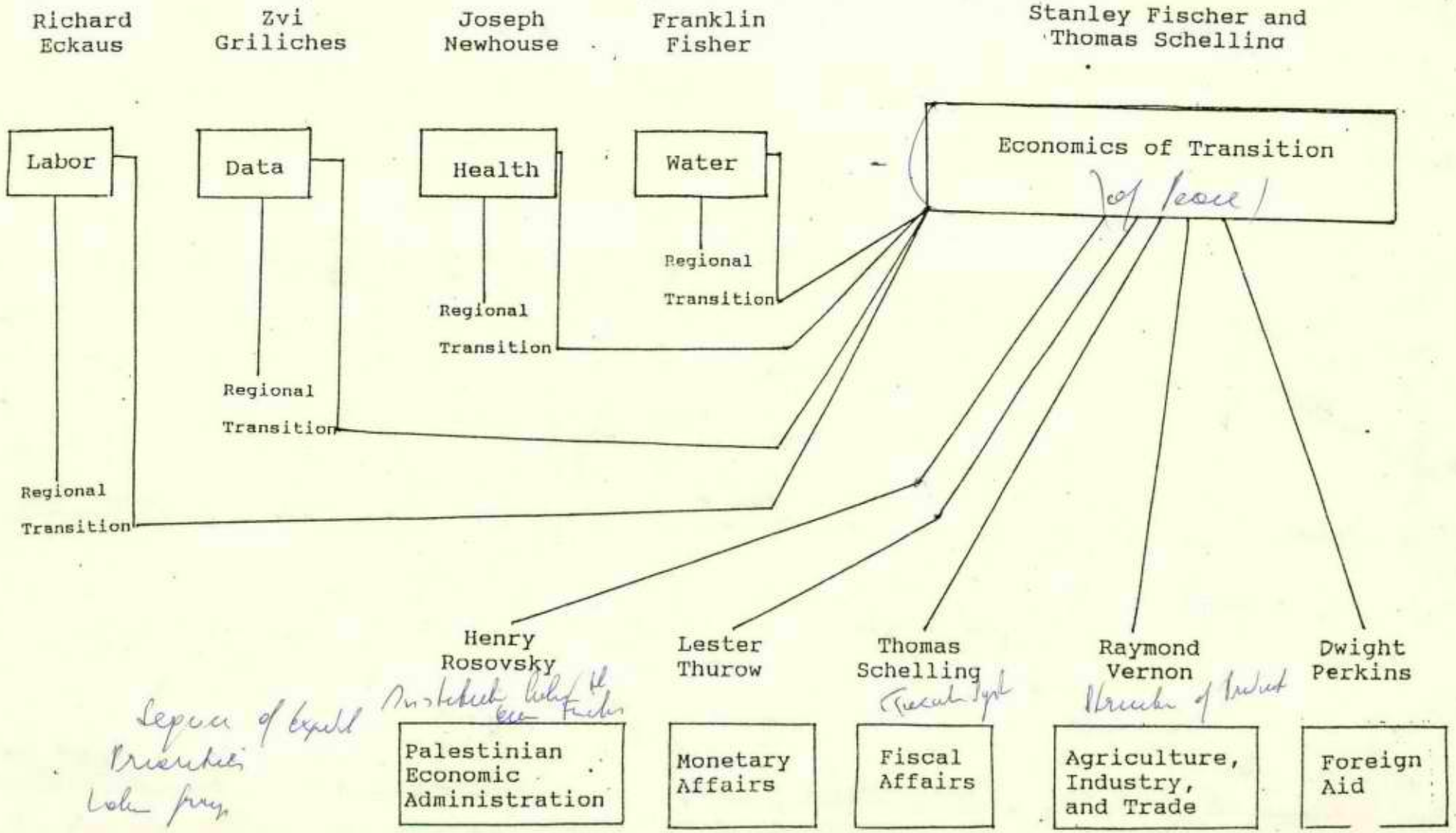
14. Non-manufacturing areas for development not elsewhere specified (computer software, tourism, quarries and mining, electricity and power, etc.).

IV. POSSIBLE MANUFACTURING SUBSECTORS FOR COOPERATION

1. Textile and clothing;
2. Leather and shoes;
3. Food and beverages;
4. Agri-industry (fertilizers and pesticides);
5. Metals and machinery;
6. Electrical and electronics; computer
7. Plastics, chemicals, paper and rubber; and
8. Building materials, wood and furniture.

HARVARD UNIVERSITY
JOHN F. KENNEDY SCHOOL OF GOVERNMENT
Institute for Social and Economic Policy in the Middle East

Seminar on Economic Cooperation in the Middle East



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Industrial Development Policy Group (IDPG)

Possibilities for the Development of

The Food Processing Industry

in The West Bank & Gaza Strip

Proposed Program of Survey

Contents

A. Purpose of Survey
B. Background
C. Program of work
D. Reports and Recommendations
E. Timetable
F. Budget Proposal

Dr. B. Toren

20.4.93

Founded by the Charles H. Revson Foundation, N.Y.

מיסודה של קרן צירלס ה. רבסון.

A. Purpose of Survey

The proposed Survey is meant to examine possibilities for the rapid development of the food processing industry in the West Bank & Gaza Strip(1*)).

Many of the relevant problems pertain to industry or manufacturing generally, rather than speciffically to the food processing industry. It is therefore suggested to regard the proposed survey, at least partially, as an example for similar studies of possibilities for the development of other conservative (mature, or 'low-tech') industries, in the West Bank & Gaza Strip, such as textiles, clothing, leather, non-metalic minerals, plastic products, etc.

B. Background

The economy of the West Bank & Gaza was based until now on a small agricultural sector, but mainly on labor income of workers employed inside Israel. (in 1989 29-30% of Gross National Product consisted of Factor Payments from Abroad (2)). Another source of labor income employed in arab countries, has been sharply curtailed since 1991 after the Golf War.

In spite of this, the processing of agricultural raw materials in the West Bank & Gaza exists only to a limited extent, mainly in the case of olives processed to olive oil.

Economic data on the West Bank & Gaza is very meager, as most of the published series are not very reliable. Published data tend to indicate that the food processing industry (including Food, Beverages and Tobacco) in total industrial output is somewhat higher in the West Bank & Gaza, mainly in Gaza, than in Israel. (Employment in the food, beverage and tobacco industry in 1991 was 16% in the West Bank & Gaza, compared to 14.7% in Israel (3)). The absolute size of the existing food processing industry in the West Bank & Gaza is quite small in comparison to Israel. Employment in all establishments engaging employees was estimated less than 3,000 in this industry in the West Bank & Gaza in 1991, compared to 50,000 in Israel or some 6%.

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* See footnotes at end of document.

Real wages for unskilled workers in Israel are relatively high, mainly if productivity is taken into account (4). Real wages for arab workers are substantially lower, both in Israel and in the West Bank & Gaza. In the past This wage differential created a strong incentive for israeli employers to use arab workers in low skill content industries, including the food industry (5). Another form to benefit from the same wage differential, was for israeli manufactureres to subcontract part of their low skill content work to the West Bank & Gaza.

Recent political and economic developments are making employment of arab workers inside Israel in the food industry, or in any other industry, more and more difficult. These difficulties have been sharpened by a complete 'closure' of the West Bank & Gaza to any arabs, including arab workers, from entering Israel in April 1993. This new situation has cut off many arab workers from their sources of income and strongly increased the need for industrialization inside the West Bank & Gaza. On the other hand has the April closure of employment opportunities in Israel left a relatively large number of arab workers with work experience in the food industry, free for new employment opportunities in the West Bank & Gaza.

Here the example of western Europe may be relevant. Most countries relying on migrant labor, where ethnic problems make the employment of foreigners more and more difficult, try to develop trade with low wage countries to replace local production based on foreign labor. As mentioned, Israel has done so to a large extent in the clothing industry, where arab sub-contractors in West Bank & Gaza supplement the elements of low skill and labor intensive elements in the production process in Israel. In any case, conservative, rather than sophisticated industries, including the food processing industry, may become the most promising candidates for such industrial development.

The main question will therefore adress the various <u>development strategies</u> - what additional types of production in the food processing industry can be established in the West Bank & Gaza?

(1) can part of the low wage israeli plants be re-located, and be based on sub - contracting, or other arangements, in order to employ the arab workers, who find it difficult to work inside Israel?

(2) can more agricultural produce from the West Bank & Gaza be processed locallly, instead of transporting it to Israel? Can part of this additional local processing be directed to exports (outside Israel)?

(3) can part of present imports to the West Bank & Gaza be replaced with local prooduction, based possibly on licences from the former foreign supplier?

(4) last, not least, can new export opportunities be located by international or multinational, or possibly israeli companies in the West Bank & Gaza, on basis of low real wage labor, so as to improve their competitive strength for exports?

The israeli promotion of industrial development in the West Bank & Gaza was recently based on 3 year tax holidays, for projects approved by capital investment centres. Their impact must be studied. In more general terms the study will have to take into account the relevant political, institutional and cultural preferences and limitations. A very important example in this field is the shortage of industrial entrepreneurship; another may be the lack of trust in official or political organs and a possible negative influence on tax comliance, which may influence to effectiveness of 'approved enterprise status'. All these limitations will have to be studied and considered.

Entrepreneurship has become since Shumpeter a field of study in itself. Its more recent vintages, included in the curriculae of schools of business administration, will be drawn upon. Some studies have dealt more directly with the ability of arabs to initiate new industries in Israel and in the West Bank & Gaza.

The political climate is in a permanent process of change. No meaningful work in this field can abstract from such current developments. This situation calls for -
A. A study of political implications for the different development strategies.
B. Discussion of alternative scenarios and reccommendations, wherever polital changes (actual or expected) call for it.

C. Program of Work.

1. Survey of existing Situation.

(a) Study and critical evaluation of published data on the main statistical series, for the food processing industry and for the manufacturing sector, including -

- production;
- employment,
- man-power supply by occupational level;
- output of vocational schools and universities;
- exports and import for trade with Israel and other countries.
- wage levels
  - * for Israeli workers in Israel;
  - * for arab workers from the West Bank & Gaza in Israel;
  - * for arab workers in the West Bank & Gaza;
- Supply conditions, shortage or unemployment in a.m. markets;

(b) Review and evaluation of former studies in the field and related issues.

(c) Review of existing facilities of industrial investment promotion, by various official, international, public and private bodies, including the above mentioned capital investment centers. Criteria and terms for qualification. Review of the use of each facility, the number of projects supported, the volume of money supplied etc.

(d) A study of the factors limiting the success in industrial development in the past.

(i) Special study of entrepreneurship and the characteristics and origin of new promotors;

(ii) Study of success and failure cases and reasons explaining results;

(iii) Study of sources of investment finance (fixed and liquid capital);

(e) A review of opposition by various groups in the West Bank & Gaza or elsewhere, to industrial development.

(f) Review of the technological infrastructure for the food industry in the West Bank & Gaza -

- Vocational training for skilled workers;
- academic education for engineering, food chemistry, commerce and business administration (in the West Bank & Gaza, in Israel and overseas, for homecoming graduates);
- Quality and hygene control, standards, regulation and assurance;
- Consultancy services for problems of equipment, production, marketing etc.
- Repair and maintenance services for equipment.
- Product labelling regulation and assurance;
- Ecological and environmental problems;

2. Consultations and Interviews.
The survey will rely heavily on learning from the advice and experience, or interests of relevant persons and organs. This preference for oral information does not intend to disregard written material. Too much of it is prepared, however, for specific needs, and cannot be simply accepted without evaluation through personal contact.

Consultations will include, among others:
- Chambers of commerce in the West Bank & Gaza(7);
- Existing industrialists in the West Bank & Gaza and Israel(7);
- Relevant Israeli government officials;
- Experts and consultants on industrial development in the West Bank & Gaza and in the arab sector in Israel;
- Multi-national food companiess, as potential investors in the West Bank & Gaza;
- Major importers of food products into the West Bank & Gaza, for similar reasons(7).
- Directors of the food quality control services in the Israeli ministries of Health (D. Reichman) and Industry and Trade (D. Halpern).

D. Reports and Recommendations.
1. The final report will cover an analytical discussion of the following main issues -
   a. The existing situation of the enterprises in the food processing industry, and the main factors accelerating or retarding their development.
   b. The existing educational and technological infrastructure.
   c. The existing development promotion policies of various organs.
   d. Trial contacts and preliminary examination of cases of new investment possibilities.
   e. Conclusions on the development potential of the industry.
   f. Conclusions and recommendations on an improved promotion policy of various national and international organs.
2. The Interim Report will cover a preliminary draft of the analytical discussion of the existing situation (items 1.a to 1.c), a brief report on individual interviews and consultations and on trial contacts (item 1.d).

E. Timetable

1. Appointment and meeting of Steering Committee - after signature of contract.
2. Interim Report - 5 months after signature of contract.
3. Discussion of Interim Report in Steering Committee - 6th month of assignment.
4. Draft Final Report - 11 months after signature of contract.
5. Discussion of draft Final Report in Steering Committee - 12th month of assignment.
6. Revised Final Report ready for distribution - 12 months after signature of contract, but not before two weeks after receiving comments on draft from Steering Committee and other relevant persons and bodies.

F. Budget Proposal.

1. Total in U.S. Dollars (Exchange Rate 2.80) 34,000
2. Total in NIS 95,200

	monthly total cost	monthly cost	total cost
B. Toren, Chief Investigator	7,500	2,500	30,000
E. Atiya, Chief Investigator	6,000	3,000	36,000
Total direct salaries			66,000
Ovrheads and administration (20%)			13,200
Total labor cost (1)			79,200
Security cost (in guarded and protected cars(7)) - 20 days			11,000
Computerized processing of Data			2,000
Consultants fees			3,000
Total Budget (NIS)			95,200

(1) Labor cost includes all indirect expenses, including travel and all other supplements.

Footnotes

(1) The proposal tries to refrain from political issues, except perhaps for the underlying assumption, that the Palestinians and Israel will benefit from the rapid industrialization of the West Bank & Gaza.

(2) Source: Statistical Abstract of Israel, 1992, p. 740.

(3) Sources: For the West Bnk & Gaza, do. p. 768; for Israel: The Industry in Israel, 1991, p. 5.

(4) B. Toren et. al., 1993: The Technological Infrastructure in the Food Processing Industry in Israel (Forthcoming, in Hebrew).

(5) Unskilled workers in Israel covered 44% of total employment in the food industry in 1987, compared to only 21.7% in the whole industrial sector (Shaliv: Occupational Structure of Manpower in the Israeli Industry, 1968 - 1987, 1989, p. 37).

(6) Classes on entrepreneurship are included in the curriculae of academic institutions, including

- Tel-Aviv university (Eitan Miller);
- Technion (Dan Shemansky)
- The College for Administration, Tel-Aviv (Dan Gelvan)

(7) The present, and possibly the potential security situation may render trips of the team to the West Bank or Gaza - impossible. In such a case some of the planned interviews may have to be conducted in Jerusalem. Others may be conducted by Dr. Samir Hazboun through DATA, in the West Baank or Gaza, on basis of questionnaires prepared for varios interviews. The cost of such possible additional needs, has not been taken into account.

האוניברסיטה העברית בירושלים
THE HEBREW UNIVERSITY OF JERUSALEM
الجامعة العبرية في اورشليم القدس

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Initial Draft

A BASIS FOR NATURAL RESOURCE PROTECTION ON THE WEST BANK

Proposal Outline

Background

One of the joint goals of both Israelis and Palestinians is that the natural resources of the West Bank be managed in the best possible manner, for the benefit of future generations, as well as present ones. The desirability of this goal is relatively insensitive to the type or specifics of the arrangements and agreements that will hopefully be reached by the two parties.

Given the population growth rates on the West Bank (and Gaza Strip), meeting this goal will necessitate the accommodation of future population growth in a manner that will not harm the area's remaining natural resources. The scale and rate of the population growth are uncertain, however, especially as they may be sensitive to the type and particulars of the agreements. In this respect the problem inherent in any effort to protect the West Bank's natural resources is somewhat similar to the task Israel had to grapple with in the context of accommodating the recent large immigration wave. The experience gained in Israel in the last few years may be relevant, therefore, for the protection of natural resources on the West Bank too.

The purpose of the proposed research is to identify the principles that may serve as a basis for a natural resource management strategy in the West Bank. In particular, the research proposes to identify the data gaps and management options for protecting the west Bank's natural resources.

Research Objectives

1. To identify the main natural resources of the West Bank that should be protected.

2. To suggest measures that can help prevent further deterioration of the main natural resources, and ameliorative actions that can help re-dress previous damages.

3. To identify knowledge gaps regarding the sensitive natural resources, the existing and potential dangers to them, or the implications of measures designed to protect them.

4. To identify which natural resource management issues have a regional dimension that may be of relevance for the negotiations, and differentiate them from purely local issues of limited regional significance.

The Research Method

The proposed research will be conducted in three stages. The completion of all three stages will address all the research objectives, and may provide a good basis for both a natural resource management policy, and a research agenda, as well as an input for the ongoing negotiations. However, each stage of the proposed research can stand on its own, and provide useful and important outputs, that may benefit decision makers, even if the next stage(s) is not carried out.

In the first stage the potential resources will be identified and mapped. This stage will depend primarily on the information Israeli official and professional organizations have compiled and analyzed, and perhaps supplemented by Palestinian sources. In essence, the goal is to compile natural resource maps for the West Bank, similar to those compiled in Israel and used as inputs to the Israeli national immigration absorption plan.

Based on these maps two efforts will be made in the second stage. The first will be to identify threats to the natural resource areas identified as most valuable in the first stage. This could be accomplished by comparing current land use, and practices, with the distribution of the sensitive natural resources. It may be possible to do some field work on a sample of cases to determine to what extent do potential dangers materialize. The second effort in this (second) stage will focus on identifying possible measures that may help mitigate or prevent potential dangers. These will be based on the experience gained in israel. Specifically, the experience in israel, and elsewhere, will be reviewed to identify measures that may help address the potential issues identified on the west Bank.

The third stage is intended to produce two outputs. One, the implications of the measures proposed for administrative structures will be drawn. Two, research needs and planning priorities will be suggested. This stage is, however, the most tentative part of the research, as it is heavily dependent on the outcome of the two previous stages.

At this stage the measures proposed at the second stage will be scrutinized. This scrutiny will focus on the administrative and legal requirements to implement the proposed measures. These will be compared with current legal structures, and possible administrative mechanisms, to identify what are the requirements

for making the proposed measures feasible. By spelling out these requirements, this stage may provide an input as to issues that need to be settled at the negotiation table.

The second component of this research will focus on the planning and management issues that need to be further addressed. These issues will be prioritized with regard to their 'shadow prices', that is to the environmental cost of their not being addressed. As part of this component the knowledge gaps encountered at all research stages will be detailed, and a tentative research agenda advanced. This research agenda will focus on the issues that need to be addressed for operationalizing or improving the measures proposed at the second stage.

Prepared by: Eran Feitelson

Promoting Programmes for the Development of Peace in the Middle East.

General

In an Israeli-Palestinian seminar in Borregaard (Sarpsborg), held om March 20 and 21, 1993, general agreement on the concept of an envisaged Israeli-Palestinian understanding was achieved. Accordingly, for promoting peace and creating an atmosphere of cooperation and stability, the planning and coordination of a variety of joint Israeli-Palestinian programmes has been envisaged.

The outlines of these programmes should be prepared by ECF (the Economic Coorperation Foundation) in cooperation with Israeli academic and professional groups on one hand, and by a Palestinian partner organisation, in cooperation with Palestinian academic and professional groups, on the other hand. The Norwegian Research Foundation FAFO will be the Secretariat and fascilitator of the joint Israeli-Palestinian activities.

As the subjects for joint Israeli-Palestinian programmes have already been identifited (in the mentioned seminar held in Borregaard, Sarpsborg, in March 1993), the follow-up activities can be targeted in such a way, as to create a direct and immediate input on the negotiating process.

Tasks of ~~ECF~~ the project

Accordingly, in preparing the proposed outlines for joint Israeli-Palestinian programmes, the tasks and functions of ECF (and parallel of a Palestinian partner organisation) will be as follows:

First, identify Israeli (and Palestinian) academic and professional groups of experts, who can prepare the necessary outlines and proposals.
Second, play an active role in the preparation of outlines and proposals assisting the professionals and experts to focus their suggestions on the political relevant issues, in line with the parameters accepted by both the Israeli and Palestinian delegations.
Third, discuss submitted outlines with the Palestinian partner organisation, and accordingly prepare fully coordinated and agreed upon programme proposals.
Fourth, submit outlines of programmes for agreement to various negotiating fora (the bilateral negotiations, the multilateral negotiations, and intersessional meetings) and
fifth, submit agreed upon outline proposals for financing to interested governments, to international agencies, or to various private and public funds.

Identified Subjects for Israeli-Palestinian Cooperation Programmes

Outlined for Israeli-Palestinian cooperation programmes to be prepared will cover an optimal number of project proposals, to be chosen from among the following subjects:

1. A Water Development Programme:
regarding joint water management, the maintenance of the aquifer, maintenance and improvement of the existing water pipe system, the recycling of sewage and waste water, the definition of water rights and its equitable utilization, ect.

2. An Electricity Development Programme:
identifying various options for electricity production, maintenance, purchase and sale;

3. An Energy Development Programme:
identifying necessary pro-feasibility studies for the construction of oil- and gas pipelines, for the joint exploitation of other energy resources, such as solar energy and oil-shale, and for preparing the establishment of petrochemical industries;

4. A Financial Development Programme:
identifying various optional concepts for Israeli-Palestinian cooperation;

5. A Transport and Communications Development Programme:
identifying proposed construction of roads and railways and defining guidelines for the establishment of a Greater Gaza and Port Area and the creation of a Free Trade Zone between Gaza and Ashdod;

6. An Industrial Development Programme; identifiying necessary pre-feasibility studies regarding the establishment of a joint Israeli-Palestininan car industry and proposals for other joint ventures, as well as guidelines for cooperation in the textile, food, pharmaceutical, electronics, computer, and other science-based industries.

7. A Labour Relations Programme; identifying possible parameters and guidelines for coordination and cooperation.

8. A Human Resources Development Programme; preparing guidelines and programme ideas for joint Israeli-Palestinian workshops and seminars, the establishment of joint vocational training centers, research institutes and data banks.

9. An Environmental Protection Plan, preparing guidelines and plans for coordinated or joint activities.

10. A Jerusalem Development Programme; preparing guidelines, concept and plans for the agreed upon development of the entire Greater Jerusalem Area.

11. A Trilateral (Israeli-Palestinian-Jordanian) Plan for the joint development of the Dead Sea Area.

12. Optional Electoral Systems, for elections to a Palestinian Interim Self-Government Authority.

The Proposed Modus Operandi

1. The parties will for a period of six months provide two full time experts and one secretary, who will be fully engaged in preparing the necessary concepts, outlines and proposals in cooperation with various Israeli academic institutes, professional enterprises and public authorities.

2. FAFO will be actively involved, monitoring and guiding the necessary subject choices, as well as the choice of professional partner organisations.

3. The parties will attempt to obtain full cooperation from Israeli partner organisations (academic institutes, professional enterprises and public authorities) without causing any further costs. Other arrangements will have to be mutually agreed upon.

4. The parties and FAFO will have the right to submit prepared project proposals for funding. Also here, each side will act in full coordination with the other partner organisations.

END

HIRSCHFELD Numéro: 4122-791 0746
EN

New Initiatives in Health:
Planning for Transition and Promotion of Regional Cooperation

A Proposal Submitted To:

The World Health Organization

By The

Institute for Social and Economic Policy in the Middle East

and the

Harvard Institute for International Development

Harvard University
Cambridge, MA

September, 1992

Joseph Newhouse, Principal Investigator
Charles Myers, Deputy Principal Investigator and Program Manager
Dwight Perkins, Director, HIID
Leonard Hausman, Director, ISEPME
Anna Karasik, Associate Director, ISEPME

It is important now to anticipate opportunities the peace process may bring and at the same time help address the urgent problems which the West Bank and Gaza face now and prospectively. There is both the need and the occasion now to plan for the transfer of authority and responsibility for health services in the West Bank and Gaza and to promote new opportunities for broad regional cooperation in health.

These initiatives will require the deep involvement of senior health professionals, health planners and health economists in the region, and that involvement is assured. The initiatives will require an external and neutral source of momentum and technical collaboration. That role will be played by Harvard University. The initiatives will require financial support for a three year period totaling two million dollars.

1. Goals and Outcomes

The proposed program has two goals:

* to assist the development and implementation of a plan for transfer of authority and responsibility for health services and for the transition period in health in the West Bank and Gaza including the regional cooperation that would be helpful in effecting a successful transition;

* to promote regional cooperation in health among Egyptians, Israelis, Jordanians, and Palestinians and with nationals of other countries in the region as political conditions permit.

At the end of the three years, the proposed program will have:

* contributed to getting a successful transition stage underway

* helped to build the institutional and human resources infrastructure needed to sustain the transition in health services and medical care;

* promoted extensive and growing regional cooperation in health;

* made significant progress toward institutionalization of regional cooperation in health.

2. Content and Patterns of Work

The work to support planning, policy analysis and implementation for the transition in the West Bank and Gaza will focus on:

- Health data systems and data analysis
- Public health
- Human resources (including a medical school)
- Health care finance
- Organization and delivery systems
- Institution strengthening and capacity building

The work to promote regional collaboration will focus on much the same topics. Indeed, the degree of overlap is both obvious and fortuitous. The activities are mutually supportive. More detail on the content of the work is given on the pages which follow.

The proposal to undertake this work is the culmination of a process begun more than a year ago at Harvard University -- a process that will now continue as the mechanism for doing the work. Leading health professionals, planners and economists from four countries and places in the region, along with colleagues from Harvard, put together this proposal in workshops at Harvard and in the Middle East and by intensive communication between meetings. Each individual is now committed and (as appropriate) authorized to lead and undertake the work. Two or three senior people at each location in the region will identify and involve other appropriate individuals and institutions, take responsibility for collaboration, communication, products, schedules and quality control; and together will constitute a Program Steering Committee.

The lead Palestinian and Israeli individuals in the Middle East are:

Dr. Anis Al Qaq, Health Services Council, Jerusalem
Dr. Farouk Abdul Rahim, Makassed Hospital, Jerusalem
Dr. Dan Michaeli, Tel Aviv Sourasky Medical Ctre.
Prof. Gur Ofer, World Bank
Dr. Itamar Shalit, Tel Aviv Sourasky Medical Ctre.

Leading health professionals from other countries in the Middle East also participated in the design of the proposal.

The lead individuals at Harvard and also members of the proposed Program Steering Committee are:

Prof. Jospeh Newhouse, Principal Investigator
Dr. Charles Myers, Deputy Principal Investigator and Program Manager
Prof. Leonard Hausman, Senior Program Advisor
Ms. Anna Karasik, Senior Program Advisor
Dr. Donald Shepard, Senior Program Advisor

Harvard will continue as convenor, program manager, catalyst, providor of technical collaborators and conduit for provision of financial resources to all participants in the program. Harvard faculty involved in the development of this proposal will lead, drawing in other individuals from Harvard and elsewhere -- people who are among the best in their fields and as committed to the work and the process as the participants from the Middle East. The role of the World Health Organization (WHO) will be to perform the following functions:

- Liaison with donor organizations
- Participation in the Program's Steering Committee
- Policy guidance.

3. Planning and Implementation for the Transition

The proposed program will assist with planning, policy analysis, and implementation for a transfer of authority and responsibility for health services in the West Bank and Gaza. The program will move forward in a sequence consistent with the peace process, trying to deal with urgent and immediate issues and opportunities. Clearly, improvement of health care and health status in the West Bank and Gaza is desirable in any case. Simultaneously, work on longer term and regional issues will be supported.

A starting point for both categories of work will be the proposed program's assistance in the institutional development of the newly-established "Higher Council for Health" (HCH). The HCH was established in order to become the central body for health in the West Bank and Gaza, analogous to the existing Higher Council for Education. The objective of the HCH is to be responsible for planning, setting priorities among health conditions and health programs, establishing and maintaining an information system, designing finance and delivery systems, channeling public resources and international assistance, credentialing providers, guiding cooperation between private and public sector providers, and assuring overall sustainability and quality of health services and medical cared. Assistance in institutional development of the HCH will include, as requested, work on organizational structure, budgeting, staffing options, information systems design and implementation, and training and workshops to build planning, analytic and managerial skills drawing on regional as well as international expertise.

A second type of initial activity will be assisting the upgrading of existing health professionals and of health facilities management, made possible by coordination for the first time of international aid flows by the HCH. Upgrading would draw on regional experience collected in a series of "country papers" (see Regional Cooperation, below) on regional and international expertise, on careful analysis of the characteristics of effective

and efficient providers already operating in the West Bank and Gaza in the three health sub-sectors: public, private and UNRWA; on pilot testing and monitoring of promising innovations and models, and on systematic training and retraining.

A final category of shorter-term activity would be assistance in collection and analysis of basic data on the current health system and health status in the West Bank and Gaza. Some data have been or are being assembled on mortality and morbidity and on health professionals, clinics and hospitals, but there are gaps that need to be filled and analyses to be undertaken. Most important, there are few data and not much analytic capacity for creation of "health expenditure accounts" -- the sources, amounts and activities supported by financial flows (public, voluntary, and household) to and within the health sector. Health accounts are needed for addressing efficiency and equity objectives. Development of health accounts and work on health care finance issues more generally will be a special emphasis of the proposed program.

Longer-term work will proceed concurrently as political conditions permit and on the basic premise that support from the proposed program should help the HCH and other decision makers in the West Bank and Gaza to make policy choices that are based on maximum learning from successes and failures elsewhere in the region (and internationally), on the best possible analyses, and where no clear best choice is evident, in a fashion which keeps options open until the most promising alternatives can be tested.

The proposed longer-term work will focus on assisting the HCH and other decision makers in implementation of the recently completed "National Health Plan". Drawing on regional and international experiences and expertise, assistance may include, as requested, help on the following activities and tasks:

- establishment of a health data system
- priority setting, among public health and health care activities using techniques being developed at Harvard for the World Bank
- analysis of finance needs and options based in part on a Health Finance Planning Model developed by Harvard faculty for the World Bank
- design and evaluation of insurance schemes based on actuarial and economic analyses
- design of delivery systems based on cost effectiveness analysis
- training options including a feasibility study for a Palestinian medical school and of potential regional cooperation in such a medical school and in specialized training and up-grading.

4. Regional Cooperation

Regional issues are problems or opportunities for which the solution requires or would strongly benefit from cooperation among countries or areas in the region. Considerable regional cooperation has already been described as essential and beneficial for the transition. Control of outbreaks of infectious diseases obviously requires regional cooperation, and this has occurred in the past on an ad hoc basis to contain outbreaks of Rift Valley fever, measles, and polio. Other regional issues include environmental pollution, externalities and economies of scale in the management of other infectious diseases, such as schistosomiasis or leishmaniasis, research and education, and the delivery of tertiary services.

The proposed work on regional issues, under the direction of the Program Steering Committee, will begin with "country papers" to be prepared by Egyptians, Israelis, Jordanians and Palestinians, and perhaps other Middle East nationals as well. The country papers will present succinctly and consistently, in ten to twenty pages, existing system descriptions for each part of the region. The country papers also will identify and describe examples of successful innovations used in each area to address health conditions of high priority and innovations in organization and delivery of services and in financing, management, education, training and retraining of health professionals. The idea is to identify solutions that (1) work in settings with identifiable characteristics, (2) promise significant impact on priority problems throughout the region, and (3) could be replicated or expanded in settings with similar characteristics elsewhere in the region. In this way, participants can begin the process of learning from each other, promote the sharing of successful experiences within the region and promote the process of transition.

The next step in the proposed work on regional cooperation, as political conditions permit are: a feasibility study and initial steps to establish a regional Epidemiology Network or Board which would compare, interpret, and analyze epidemiological data to strengthen control programs against major diseases and outbreaks; coordination of containment efforts, vaccine policies and programs; feasibility studies and initial steps to establish regional referral medical centers blood and organ banks, a regional FDA and reference laboratories, and regional emergency and disaster services; feasibility studies and steps to promote collaborative health education activities -- as was described as part of the planning for a Palestinian medical school -- such as specialty residencies in selected hospitals in the region, faculty exchanges and regional recognition of medical and paramedical degrees.

Finally, the proposed work on regional cooperation will from the beginning seek ways to institutionalize the cooperation so that it

continues and builds as time goes on. In addition to the proposed regional Epidemiology Network, a feasibility study will be undertaken on the establishment of a private "Middle East Center for Health Policy" which would have an international Board of Directors, a regional Executive Committee, rotating leadership, and which would be based in a major city in the Middle East, as determined by the Steering Committee.

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THE CIVIL ADMINISTRATION FOR YEHUDA & SAMARIA REGION

COLLECTION, PURIFICATION, STORAGE AND REUSE OF SEWAGE FROM THE CITY OF NABLUS

MARCH 1992

YS06111A

Technical Report

1. Introduction

A preliminary design of collection, purification, storage and reuse of sewage from the city of Nablus, is hereby presented.

The town's sewage flow reaches as much as 2 million cu.m/year and more. 75% of the sewage flows Westward and the remaining 25% Eastward.

To the West the sewage flows in a 20" pipe along the wadi* and parallel to the Tul-Karem - Nablus highway (latitude 172)

To the East the sewage flows in a 20" pipe to the East of "Balata" camp (latitude 178).

There is no treatment of the sewage and it discharges into the ravines in a raw state creating pollution and nuisances along the way.

2. The West Basin

2.1 General

More than 1.5 million cu.m/year are drained towards the West. The existing pipe ends North of the village of Rafeydeyeh. From this point the sewage flows in the wadi and seeps into the soil causing pollution of the aquifer.

It should be stressed that the aquifer in the region is of the Kenoman Turon formation from which a large amount of water is pumped to supply the drinking water of the settlements in the area.

* Wadi = Ravine.

2.2 The Proposed Design

According to the proposed design a 20" main will be laid in continuation to the existing one. The main will begin at the end pf the existing main and will continue along the wadi parallel to the highway.

The length of the pipeline will be 9,000 m. to the area Southwest of Dear Sharaf 1643 1863.

A 20" main will enable a flow of 1,000 cu.m./hour and more.

2.3 Treatment Facilities

General

The health and environmental requirements for the quality of treated sewage should conform to the following minimal standards:

20 mg/l - B.O.D - Biochemical Oxygen Demand
30 mg/l - S.S - Suspended solids

These requirements are for cities with a higher population than 10,000 people.

We will briefly state the treatment methods, which are usually grouped into three treatment "families":

(1) Treatment by Lagoons.
Sedimentation, oxidation and lagoons sometimes serve as oxidation ponds.

(2) Treatment by aeration ponds.
(Adding oxygen by mechanical methods).
There are a variety of methods to add oxygen and aeration to the water.

(3) Activated sludge.
This method is suitable for cities and large populations and for food industries etc.

We recommend the activated sludge method for the sewage treament. Although it is a costly method and requires many expenses it the only system which ensures that the quality of the treated sewage will meet with the required standards. Furthermore, the choice of this system will add further advantages to the city:

1. The quality of the treated sewage will allow it to be sold to farmers and have unlimited usage for irrigation.
2. The required area for the treatment facilities is minimal.
3. No fear about environmental nuisances.

In a semi-arid country, it is vital to reuse the effluent for irrigation.

Reuse of sewage for agricultural purposes has many economic advantages due to the cooperation between the "contributer" (the town) and the "user" (the farmer). The matter is of great importance today because of the shortage of water. Therefore, the sewage, after treatment will return to the farmer for irrigation.

The goal will be to treat the sewage to a high standard as far as the Environmental and Health ministrie's standards are concerned as well as unlimited possibilties for irrigating crops.

The Present Situation

In the open and cultivated region to the south of the wadi, we propose to construct the treatment and lagooning facilities. The location will be approximately at coordinates 1643 1863.

The design is based on the reuse of the treated sewage for the farmers in the near vicinty.

As forementioned, the treatment facilties will be based on the activated sludge from stage one. From the treatment facilities the treated sewage will flow into a seasonal reservoir and from there to irrigation.

Ther required area for the treatment facilities and ponding reaches 140 dunam, from which 12 dunam reserved for the facilities and 128 dunam for the seasonal resevoir.

2.4 The Reservoir

The sewage flow takes place through out the whole year whereas irrigation occurs during the summer, autumn and spring months.

There is therefore a remaining period of 3-4 months in which it is necessary to store the treated sewage, further more the quality of the treated sewage in the reservoir improves, the longer it remains in the reservoir.

The design proposes to use the treated sewage by the farmers in the region. This involves digging a seasonal reservoir to prevent water from over flowing in winter and will enable full usage of all expected quantities of sewage in the years to come (design year 2005)

Assuming that the present amount of sewage flow is 1.5 million cu.m/year we propose to design the reservoir volume for 2.0 million cu.m/year. If the need arises for more storage a second reservoir will be dug in the area.

The volume of the reservoir, assuming up to 5 months of winter and marginal seasons, will be 800,000 cu.m.

It is very likely that the reservoir will be covered by P.V.C sheets to prevent seepage and pollution of the aquifer. The required land for the facilities will be 140 dunam.

3. Reuse of Treated Sewage for Agriculture

We assume that it will be possible to reuse 75% of the treated sewage for agricultural use.

In the present stage 1.10 million cu.m/year out of 1.5 million cu.m/year of sewage from the West basin can be used.

In the future when the annual amount of sewage from the West reaches 2.5 million cu.m. it will be possible to reuse 1.85 million cu.m./year.

In the immediate stage we propose to irrigate the land to the north and west of the proposed treatment site. 3000 dunam of land are designated for the first stage which enables usage of all effluent for the initial stage until year 2005, i.e. 1.85 million cu.m/year and more.

In situ, the area is not irrigated, therefore, it seems that the farmers would be interested in the treated sewage.

Probably, the problem would be to organise the farmers and guide them in the usage of treated sewage.

4. Diverting Treated Sewage for Irrigation in the West

We recommend that the disposal site be located as suggested, however, there could be a possiblity that the local farmers may not want to use the treated sewage.

In this case there is a possibility to guide the treated sewage to Tul- Karem reservoir to be used for citrus orchards and cotton field irrigation.

The length of the main for this design would be 20 km. The required investment for the main would be approximately 2 million U.S.D

5. The East Basin

5.1 General

The East basin design seems simpler due to the estimated sewage flow which is presently only 0.5 million cu.m/year.

This quantity will probably increase in the future, therefore, we suggest to take into account that the maximum quantity of sewage according to which the design is planned should be 1.0 million cu.m/year.

The basic design is similar to the West basin design however with reference to the growing quantity of sewage into this basin it is possible to base the treatment on aeration ponds.

The following works will therefore be required;

- Lengthening of the pipeline to the treatment facilities.
- Building treament facilities in aeration pond method.
- Digging of reservoir.
- Irrigation of fields near the Beit Dajan Valley.

5.2 The Proposed Main

The proposed main length is 2400 m., and the diameter is 20", inspite of the smaller amounts of sewage than in the West basin. So as not to shut out future options of connecting more villages to the pipeline.

5.3 Treatment Facilities

The sewage from the end of the pipe will be collected into a concrete reinforced collector chamber and from there will flow into the sedimentation and aeration ponds.

The area required for the treatment facilties is merely 20 dunams, and for the reservoir 50 dunams, a total of 70 dunams are required.

5.4 The Reservoir

The volume of the proposed reservoir is 250,000 cum. and it is based on a "final" stage and winter storage lasting 4 months.

The required land for the treatment facilities is 70 dunam. Whether or not the reservoir needs to be sealed will be examined after the soil survey has been conducted.

Coordiantes of the site are 1788/1811.

5.5 Reuse of Treated Sewage for Irrigation

Out of a future potential of 1.0 million cu.m/year of sewage it will be possible to reuse 0.75 million cu.m/year for agricultural use.

In the inital stage 0.4 million cu.m/year will be reused.

There is a large area of agricultural grounds to the east and south of the proposed treatment site in Beit Dajan Valley. With a quantity of 400,000 cu.m/year it will be possible to irrigate 1,000 dunams at best.

There should be no problem installing a water supply distribution system. The problem as presented before, would be to arrange suitable guidance for usage of the treated sewage.

6. Alternative - Disposal of Treated Sewage into the Jordan Valley

The treatment facilities should be constructed anyways to process the sewage to a state that it can then be disposed of in one way or another. However, if the local farmers do not want to use the treated sewage, it will be necessary to divert it to the East to use in the Jordan Valley.

This alternative would involve laying a 12" diameter pipeline 22 km. long.

The estimated cost of such a pipeline is 2,000,000.- U.S.D

7. Estimated Cost (in U.S Dollars)

7.1 The West Basin

7.1.1 Mains

Steel pipes, or reinforced polyester 20" diameter, 9000 m. As per 170.- USD. (Including control chambers)		1,530,000.-

7.1.2 Treatment Facilties (Purification)

Sewage treatment and purification facilities activated sludge method, suitable for 45,000 c.u.m./day. Ground works, concrete works, mechanical facilities, electrical etc.		3,200,000.-

7.1.3 Seasonal Reservoir

Groundworks 400,000 c.u.m. as per 2.-	800,000.-	
Sealing works 120,000 as per 3.-	360,000.-	
pipes, entrance, exit, overflow	100,000.-	
Gate and fence	40,000.-	
Roads, area, stone fencing	60,000.-	1,360,000.-

7.1.4 Buying Land

Buying 140 dunams land as per 5,000 $	700,000.-

7.1.5 Engineering

Survey, lab tests, ground survey general design, detailed design, Supervision etc.	520,000.-

7.1.6 Miscellaneous

Miscellaneous and unexpected (due to initial design) - 10%	690,000.-
Total treatment and ponding facilities	8,000,000.-

7.1.7 Water reuse for Irrigation

Pumping station for irrigation pipelines to head of farmers fields, filter facilities, investments as per 400 $ per 1 dunam for 3,000 dunams	1,200,000.-
Total investments for West basin	9,200,000.-

7.2. East Basin

7.2.1 Main

20" diameter pipes, 2.400 m. As per 170.- U.S.D.		408,000.-

7.2.2 Treatment and Ponding Facilities

Aeration, 4 units, aquisition, mechanical works	600,000.-	
electricity, pipe parts	360,000.-	
Earth works 180,000 cum. As per 2.- U.S.D	300,000.-	
Sealing works, 100,000 sqm. As per 3.- U.S.D	100,000.-	
Pipe accessories and hydraulic facilities	30,000.-	
Fencing and gate	50,000.-	1,440,000.-
Miscellaneous and pathways		

7.2.3 Buying Land

70 dunams as per 10,000 $	700,000.-

7.2.4 Engineering and Miscellaneous

Design, supervison, measurments, soil survey, lab tests	200,000.-

7.2.5 Miscellaneous

Miscellaneous and unexpected	252,000.-
Total investments in East main, treatment and ponding facilities	3,000,000.-
7.2.6 Effluent network and irrigation for 1,000 dunams	400,000.-
Total investments in East basin	3,400,000.-

7.3 Total Estimated Costs

Collection and Treatment	
West Basin	8,000,000.- U.S.D
East Basin	3,000,000.- U.S.D.
Total	11,000,000.- U.S.D.
Effluent Network and Irrigation	
West Basin	1,200,000.- U.S.D.
East Basin	400,000.- U.S.D
Total	1,600,000.- U.S.D
Total investments treatment and disposal in both basins	12,600,000.- U.S.D

7.4 Annual expenses for sewage treatement;
aeration pond method - 4 cents as per 1 cu.m.
activated sludge method - 12 cents as per 1 cu.m.

8. Proposed Schedule

Design presentation, locating sites, discussions	end of April 1992
Surveying and presenting general design for authority approval	end of October 1992
Detailed design, tender documents, tender checking	end of March 1993
Construction of West basin	end of May 1994
Construction of East basin	end of December 1994

Arranging the matter of reuse of treated sewage, organisation, guiding, designing etc. will be done during 1992 so that the network for irrigation can be constructed during 1994.

Zafrir Weinstein

Zvi Buchner