



**M A S**

**Palestine Economic Policy Research Institute**

**Round Table (2)**

**National Development Plan: Objectives and  
Determinants**

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## **National Development Plan: Objectives and Determinants**

Since 1994, Palestinian territory development plans have faced innumerable obstacles emanating from Israeli occupation. However, recently numerous Palestinian groups have encouraged development efforts in various economic sectors despite these obstacles. As a result, the Palestine Economic Policy Research Institute (MAS) held a discussion concerning the Palestinian National Development Plan proposed by the current government. Amongst the participants were academics, researchers, and representatives of the public sector and civil society institutions. The opening speeches were given by the minister of planning and administrative development (MOPAD), Dr. Ali Aljirbawi, and MOPAD assistant deputy, Mr. Basher Jom'a. Afterwards, Mr. Abd Al-Rahman Al-Ttamimi, the representative of the civil society organizations commented on the plan and highlighted some concerns. Mr. Mahdi Al-Masri, the chairman of the federation of industries, did not attend the meeting.

### **The General Framework of the National Development Plan**

The current development plan is meant to complement the Reform and Development Plan (PRDP) prepared in the 4<sup>th</sup> quarter of 2008. The current plan is more comprehensive, objective, and realistic since it includes wider participation from civil society, private sector, and local governance organizations. The plan covers all of the occupied Palestinian territories, including east Jerusalem, and focuses on rural areas and villages affected by the Separation Wall. The baseline scenario of the plan depends on the removal of all obstacles to the Palestinian economy – which would lead to greater opportunities for the private sector. Dr. Jarbawi considered the main obstacle facing plan implementation to be the 15 billion US dollar gap between needs (US 18 billion) and available resources (US 3 billion).

### **The National Development Plan Facts and Figures.**

Under the baseline scenario, Gross Domestic Product (GDP) is expected to grow by 12% in 2013, while the unemployment rate is expected to decline to 15%. According to the plan, while government revenue is expected to grow by 16% annually, exceeding 3 billion US dollars, developmental expenditures should decline by 466 million US dollars.

The second scenario assumes the continuation of the status quo. In effect, a lack of change would result in higher unemployment and poverty rates along with increasing relief aid and limited growth.

### **Civil Society Opinions**

Civil society groups aided in the preparation of the current development plan but did not participate in its implementation or evaluation, which led to it having certain advantages and disadvantages. Moreover, the plan adopted a very optimistic scenario somewhat disconnected from the present situation in the occupied Palestinian territories. Among some of the weaknesses of the plan, Dr. Abd Al-Raham Al-Tamimi noted that rather than focusing on important sectors like education and health, the plan focused more on the security sector. The plan also overlooks the areas and sectors most affected by the Separation Wall and settlement expansion.

### **Recommendations**

- ✧ Expanding participation in development planning at all stages.
- ✧ Including less optimistic scenarios; instead taking into the account the current situation.
- ✧ Including more specific programs aimed at specific sectors and geographic areas, and dealing with threats associated with the expansion of both settlements and the apartheid wall.
- ✧ Re-assessing resource allocation in regards to different sectors. Priority should be given to human resource development and infrastructure reconstruction.
- ✧ Intensify official efforts to get additional financial resources in order to reduce the gap between development needs and the actual resources allocated in the plan.