

Ex post evaluation

Employment Generation Programme for Pro-Poor Infrastructure (EGP X), Palestinian territories



Title	Employment Generation Programme for Pro-Poor Infrastructure Phase X		
Sector and CRS code	Employment policy and administrative management (CRS code: 16020)		
Project number	2013 65 717		
Commissioned by	BMZ		
Project-executing agency	United Nations Development Programme (UNDP)		
Project volume/financing instrument	EUR 5 million/BMZ budget funds		
Project duration	March 2015 to June 2018 (40 months)		
Year of report	2021	Year of random sample	2021

Objectives and project outline

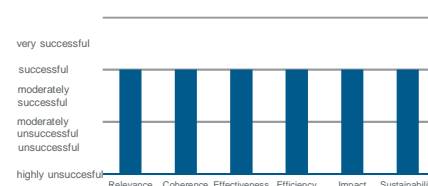
The goal of the FC measure at outcome level was the temporary reduction of monetary poverty and the demand-oriented expansion and improvement of social and economic infrastructure in the project areas. The objective in terms of development policy (impact) was to improve the living conditions of the population in the project areas of the Palestinian territories (PT) and temporarily reduce conflicts by promoting employment. Financing a total of 38 individual measures made it possible to improve the target group's access to social and economic infrastructure and create 121 permanent positions in addition to the temporary employment opportunities.

Key findings

The 38 individual measures realised were distributed among various sectors and geographically throughout all of the Palestinian territories – the West Bank, East Jerusalem and the Gaza Strip. This made it possible for the FC measure to expand economic and social infrastructure across sectors and is rated as successful for the following reasons:

- Due to the open and community-based approach, it was possible to meet the current specific needs of the target group. Clear selection criteria increased the transparency and impact. The implementation created temporary employment in the project regions.
- Random surveys showed that the promoted individual projects were still being used as intended and were in good condition during the evaluation.
- The project demonstrates a high level of coherence both internally and externally as it builds on previous phases and was implemented consistently with the BMZ country strategy, international norms (SDGs) and national Palestinian development plans.
- Despite the deterioration of the exchange rate during the implementation period, which reduced the investment budget, as well as the difficult framework conditions in the PT, it is possible to say that the effectiveness and efficiency were good, since nearly all of the planned individual measures were implemented with delays that are acceptable within the context.
- Even though the employment measures only had a temporary impact on the living conditions of the target group, it can be assumed that the infrastructure measures will have a longer-term and sustainable positive impact.

Overall rating:
Successful



Conclusions

- In connection with its previous phases (EGP I-IX) and due to their continuity, the project has had widespread impacts as a total of 723 individual projects were realised throughout the PT.
- Non-governmental organisations (NGOs) implemented 60% of the invested FC funds, providing targeted support for Palestinian civil society.
- One positive development in particular was the knowledge building that took place among the local implementation partners (NGOs and village councils) as well as the high level of *ownership* taken for the projects due to the community-based approach.
- The sustainability risk remains unchanged due to the fragile context, the COVID-19 pandemic, and external shocks.

Rating according to DAC criteria

Overall rating: 2

Ratings:

Relevance	2
Coherence	2
Effectiveness	2
Efficiency	2
Impact	2
Sustainability	2

General conditions

The framework conditions in the Palestinian territories (PT) are characterised by recurring escalations of the conflict situation. Freedom of movement and the import and export of goods are restricted, which complicates the living situation in the PT, particularly in the Gaza Strip. The onset of the COVID-19 pandemic in March 2020 made the living conditions of the population and the already tense supply situation even more difficult. Prior to that, approximately one quarter of Palestinians lived below the poverty line of USD 5.50 per day.¹ According to preliminary estimates, the share of poor households rose to 64% in the Gaza Strip and 30% in the West Bank due to the pandemic and the associated response measures.² In addition to this, the conflict situation escalated again in May 2021. There is still no peaceful end to the conflict in the foreseeable future.

The evaluated Financial Cooperation project, “Employment Generation Programme X” (EGP X), was developed as an open programme with a community-based approach. As such, no specific and targeted individual measures were defined ahead of time. The individual measures were implemented by local civil society organisations (NGOs, associations, and groups, etc.) as well as village councils and refugee camp committees.³

Relevance

As a region, the Middle East has been in crisis since the beginning of the 20th century, but certainly no later than when the nation of Israel was established in 1948. Since then, there has been conflict between Israelis and Palestinians about the borders and the existence of the Nation of Israel, and many neighbouring nations have become involved.⁴ The Middle East conflict is characterised by recurring outbreaks of violence. Restrictions to movement and the traffic of goods have existed for a long time, primarily in and out of the Gaza Strip, which undermine the economy of the PT to this day, leading to unemployment, poverty, and dependence on international aid. At 25.9%, the 2020 unemployment rate in the PT remains high, with a rising trend (2013: 24.2%)⁵; in the Gaza Strip, it even reached 45.1% in 2019 (2013: 33.5%).⁶

¹ in local purchasing power

² World Bank (2020): Economic Monitoring Report to the Ad Hoc Liaison Committee, June 2020.

³ The term “local executing agency” will be used to refer to all local implementation partners (NGOs, associations, groups and village councils) within the context of this ex post evaluation.

⁴ Research Services of the German Bundestag (2006): Der Nahostkonflikt – Geschichte und aktuelle Situation. (only available in German)

⁵ Palestinian Central Bureau of Statistics (2021)

⁶ ibid.

Women and young people in particular are affected by the high rate of unemployment. In 2016, 29.2%⁷ of the population lived below the national poverty line (2011: 25.8%), while 80%⁸ of the population in the Gaza Strip depend on international aid. Unemployment and a lack of prospects imply a high potential for conflict.

The “Employment Generation Programme for Pro-Poor Infrastructure” (EGP), which has been carried out since 2002 within the scope of Palestinian-German Financial Cooperation and currently consists of 11 phases, attempts to combat this issue using instruments of temporary employment connected to new construction, rehabilitation, and expansion of social and economic infrastructure by local executing agencies. During the programme, learning experiences and the further development of the approach shifted the focus from the intensive promotion of employment to alleviating poverty by providing social infrastructure.⁹ The objective of the FC measure at outcome level was the temporary reduction of monetary poverty and the demand-oriented expansion and improvement of social and economic infrastructure in the PT project areas. The project’s objective in terms of development policy (impact) was to improve the living conditions of the population in the PT project areas and temporarily reduce conflicts through the promotion of employment. The measure’s target group is people who use the social and economic infrastructure in the PT and, by extension, municipal councils, and civil society institutions (NGOs, associations, groups, etc.). Due to the primary focus on poverty, the objectives of the project also aligned themselves with the national development strategies of the Palestinian National Authority (PNA) “National Development Plan 2014–2016” and “National Policy Agenda 2017–2022”.

The implementation of programme measures in EGP phase X lasted a total of 40 months between March 2015 and June 2018. The project-executing agency for implementing the FC measure was the “Programme of Assistance to the Palestinian People” (PAPP) of the United Nations Development Programme (UNDP)¹⁰, which has been working in the PT since 1980. Due to its presence in the region over many years, UNDP has collected extensive knowledge of and experience in the local context and maintains close partnerships with groups such as Palestinian institutions, civil society, local authorities, and international development partners. Unlike many other development organisations, UNDP works throughout the entire PT, including East Jerusalem, the Gaza Strip, and the current Area C of the West Bank. UNDP’s neutral and internationally recognised mandate and high degree of flexibility also enable it to implement measures there.

The project’s underlying results chain is based on the assumption that labour-intensive construction and rehabilitation of social and economic infrastructure will lead to an increase in employment, which will at least temporarily reduce monetary poverty (outcome level). In the long term, the intention is to improve the living conditions of the population and temporarily reduce conflicts by promoting employment (impact level). It is plausible that expanded access to social and economic infrastructure could lead to improved living conditions. The potential that temporary employment programmes have to reduce conflict is explained by the fact that they increase opportunity costs by offering prospects and reducing grievances and can thus contribute to social stability.¹¹ However, it cannot be assumed that temporary measures will have long-term impacts.

The project, designed to be an open programme with a community-based approach, was aimed at ensuring a selection of measures dynamically focusing on the predominant needs of the Palestinian population. The individual measures to be realised were selected by UNDP based on project applications from village councils and civil society organisations. The selection criteria agreed by UNDP and KfW were the share of direct work (at least 25% of wage costs), the project’s link to poverty (location and income creation in areas affected by poverty), sustainability aspects, and that the benefits of the infrastructure primarily support the target group in underserved areas, who are usually poor. Although all municipalities in the West Bank and Gaza Strip have promotional capacity, the intent was to give preference to municipalities in Area C,

⁷ World Bank (2021)

⁸ UNCTAD (2020)

⁹ KfW FC Evaluation Department (2019): EPE EGP V–IX.

¹⁰ Hereinafter abbreviated to “UNDP” instead of “UNDP/PAPP”.

¹¹ Brück, T., Ferguson, N. T., Izzi, V., & Stojetz, W. (2021). Can jobs programs build peace?. *The World Bank Research Observer*, 36(2), 234-259.

East Jerusalem, the refugee camps and in the Gaza Strip. There are no specifications with regard to sectors that should receive preferential consideration. The concept for selecting the individual measures thus intends to reach as broad a spectrum as possible within the target group.

The open and participative approach using a competition procedure to award individual measures according to clear criteria has also proven to be beneficial from today's perspective. In dynamic contexts characterised by conflict, this approach is able to align measures with the needs of the target group and take marginalised groups, people with disabilities, women and young people into account in a more targeted manner. By focusing on local executing agencies that are most familiar with the local communities and their needs, it is possible to work closely with the target group and achieve results for them despite the lack of state structures and institutions. Community-based approaches have advantages as the citizens have local knowledge, understand local conditions, practise direct democracy and can contribute to developing solutions to local problems.¹²

There were also specific criteria with regard to selecting people from the target group for employment within the scope of the construction measures. They were selected based on unemployment lists from the Ministry of Labour as well as the individuals' socio-economic status¹³ and age (at least 18 years of age), which seems to be an appropriate procedure for improving the employment situation in view of the high unemployment rates in the PT. However, people who played an active role in the conflict were not specifically selected, and the "do no harm" principle was not explicitly incorporated or used in the selection criteria. This being said, as the Middle East conflict is not an internal Palestinian conflict and no Israeli labour was used, it can be assumed that the lines of conflict were not made worse by this approach.

The project started with an appropriate concept to address the insufficient social and economic infrastructure and lack of employment in the PT in a target-oriented manner. The community-based approach was associated with several benefits from today's perspective. The project's focus on poverty-reduction measures was viewed as appropriate at the time and still is from today's perspective due to the ongoing conflict situation and the associated restrictions in freedom of movement for goods and people. The relevance of the project is deemed high as the approach's concept was tailored to the local conditions and addressed the core issue.

Relevance rating: 2

Coherence

Germany has contributed to improving the living conditions of the Palestinian population since the early 1980s within the scope of German-Palestinian development cooperation. The current focus of the cooperation is primarily on good governance, economic development, and employment. In addition to the FC measures in the areas of primary and secondary education as well as vocational training, finance sector development, promotion of employment and industrial park development, the TC measures also make an important contribution in the areas of vocational education, promotion of employment, private-sector development, inclusive cross-border cooperation and strengthening quality assurance services. Furthermore, within the framework of the special initiative for stabilisation and development in the Middle East and North Africa (SI MENA), the Federal Ministry for Economic Cooperation and Development (BMZ) promotes various projects in the PT focusing on stabilisation and the employment of young people. EGP X primarily addresses employment policy and administrative management, thus incorporating itself coherently into the development cooperation involvement of the German Federal Government in the PT and being in line with the BMZ country strategy.¹⁴

¹² Carr, D. S., & Halvorsen, K. (2001). An evaluation of three democratic, community-based approaches to citizen participation: Surveys, conversations with community groups, and community dinners. *Society & Natural Resources*, 14(2), 107–126.

¹³ A differentiation is made between skilled and unskilled workers.

¹⁴ The BMZ country strategy for the PT is to maintain peaceful and inclusive development as the prerequisite for a negotiated two-state solution and to contribute to the development of a future State of Palestine. The following requirements for peace were defined for development cooperation: a) social cohesion is strengthened; regional and social disparities as well as territorial disintegration are not intensified; b) opportunities for political and social participation of the population are strengthened and contribute to reinforcing the PNA; and c) livelihoods are ensured, and the socio-economic situation does not erode further.

The FC project was subsequently incorporated (after the project appraisal) into the DC programme “Sustainable economic development and promotion of employment” set up in the meantime. The objective of the DC programme is to provide productive employment opportunities via the Palestinian private sector as well as contribute to primary and secondary education to improve the employability of the target group; contextual overlapping with EGP X tends to be limited in the education sector (11 of 38 individual measures), and individual construction orders result in temporary employment effects.

With regard to the (internal) coherence with international norms and standards, the design of the EGP X FC programme was consistent with the Millennium Development Goals (MDGs) and, from today’s perspective, with the 2030 Agenda for Sustainable Development (SDGs).

EGP X has complementary impacts when used in tandem with the aid that the UNRWA is providing primarily for Palestinian refugees in the PT, in the areas of primary education and vocational training, basic medical care, disaster relief and social services, improving infrastructure and warehousing, microfinancing and emergency aid.

The internal cohesion is rated as good overall due to the high degree of consistency and complementarity when used with other DC interventions by the German Federal Government in the PT as well as with international norms and standards. EGP X was also complementary to other development policy interventions in the PT (external cohesion), so the cohesion of the project was rated as good overall.

Coherence rating: 2

Effectiveness

The objective of the FC measure at the outcome level was the temporary reduction of monetary poverty as well as the demand-oriented expansion and improvement of social and economic infrastructure in the project areas of the PT. The target achievement is based on the following indicators:

Indicator	Target value at project appraisal	Actual value at final inspection; Actual value at EPE
(1) Disbursement of at least 25% of the individual project costs (i.e. a total of at least EUR 1 million) in the form of wages for temporary work during construction of the realised infrastructure measures.	Target: 25%	Actual value at final inspection (2018): 31%; achieved Actual value at EPE (2021): n.a.
(2) 40,000 employment days of temporary work	Target (from 2017 reporting): 40,000	Actual value at final inspection (2018): 53,840; achieved Actual value at EPE (2021): n.a.
(3) At least 80% of the realised infrastructure projects are in good condition two years after being put into operation (implementation of maintenance and operation concept)	Target: 80%	Actual value at final inspection (2018): n.a. Actual value at EPE (2021): discussions with 12 of 38 executing agencies within the scope of the EPE gave the impression in these cases that the infrastructure was in good condition due to the implementation of the maintenance and operation concepts; random surveys (12 of 38) indicate that the target was achieved

<p>(4) At least 80% of the realised infrastructure projects are used for their intended purpose two years after being put into operation</p>	<p>Target: 80%</p>	<p>Actual value at final inspection (2018): n.a.</p> <p>Actual value at EPE (2021): discussions with 12 of 38 executing agencies within the scope of the EPE gave the impression in these cases that the infrastructure was in good condition due to implementation of the maintenance and operation concepts; random surveys (12 of 38) and information from UNDP (statement that all 38 infrastructure projects continue to be used) indicate that the target was achieved.</p>
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* Source: anecdotal evidence from qualitative interviews with 12 local executing agencies within the scope of the EPE.

Monetary poverty of workers from the target group was temporarily reduced due to wage payments for the construction measures, and the target value of the indicator was even exceeded. The indicator's target value for employment days, which was adjusted during the project implementation, was also achieved; in view of the investment budget, which was reduced by 27% due to a worsening exchange rate, this can be viewed as a positive result. At the time of the project appraisal, a target of 60,000 employment days was assumed. However, in the context of internal KfW reporting in 2017,¹⁵ the target was adjusted from 60,000 to 40,000 due to the poorer exchange rate. One caveat should be noted, namely that employment days do not provide any information about the quality of employment.

It is also possible to confirm a qualitative and quantitative improvement to the infrastructure in the PT based on the 38 individual measures realised within the scope of EGP X, which can be subdivided into sectors as follows: education (eight projects), sports (seven), meeting places (six), other infrastructure (six), vocational training (three), facilities for people with disabilities (three), agriculture (two), health (two) and culture (one). Projects for target groups that are vulnerable or experience discrimination as well as projects with income-generating approaches were given priority. Overall, the measures covered a broad spectrum, both with regard to their distribution among sectors as well as the needs of target groups. For instance, facilities tailored to the specific needs of women received financing, but infrastructure measures were also financed that provide therapy for people with disabilities as well as educational, training, recreational and athletic opportunities for young people. Individual measures were also promoted that served the entire local municipality, such as community centres, health centres, hospitals, multipurpose halls, or pavements.

Geographically speaking, the individual measures realised were divided between the Gaza Strip (12 projects), the West Bank (20 projects) as well as East Jerusalem (6 projects). Two projects in the Gaza Strip had to be ended prematurely for external reasons; the funds were reallocated within the programme.¹⁶ The greater number of individual measures realised in the West Bank can be explained by the fact that both village councils (158 applications) as well as NGOs (142 applications) had the opportunity to apply, while there were no village councils in the Gaza Strip,¹⁷ so only NGOs (137 applications) could be considered as local executing agencies; in addition, the distribution corresponds to the area and the population.

¹⁵ 2017 reporting

¹⁶ The construction of a nursery school for children with visual impairments in the city of Gaza could not be realised with the local executing agency "Eye Society for Visually Impaired Rehabilitation and Prevention of Blindness" due to a unilaterally terminated lease agreement. One other project with the "Iwan Center for Architectural Heritage" from the Islamic University of Gaza also had to be terminated due to the collapse of an arched ceiling.

¹⁷ The municipalities in the Gaza Strip have the status of "municipality", and in East Jerusalem, there were no Palestinian municipal administrative structures.

The condition of the realised infrastructure two years after being put into operation could not be assessed by the time of the final inspection in 2018 as several infrastructure measures were completed shortly before project completion. No inspection of the project locations took place in the subsequent period either (2 years after being put into operation). Within the context of the EPE, qualitative interviews with a random sample of local executing agencies (12 individual measures, six in the West Bank and six in Gaza)¹⁸ were carried out. Based on these interviews, an assessment was made regarding the target achievement of these indicators at the time of the EPE. Even during the project selection process, attention was already paid to ensuring that local executing agencies were able to present a management and maintenance concept. Today, these are still being followed, although only in part in some cases, and no longer strictly in others. However, all those interviewed described the condition of their individual measures as very good to good and were able to provide evidence of this with current photographs. Furthermore, during the selection process, priority was given to applications that were able to show significant community benefits. This ensured that local executing agencies bearing strong relationships with their communities, having relevant local knowledge or coming directly from the communities themselves were primarily selected for implementation. UNDP continues to maintain close contact with the local executing agencies and confirmed that all individual measures realised continue to exist and have not been repurposed since their completion.

UNDP was also unable to report any destruction during the phase X implementation period, and three individual measures only suffered minor damage during the latest violent incidents in spring 2021 according to the damage assessment. The total damages amounted to USD 8,390.

With regard to today's use of the infrastructure measures, the 12 local executing agencies interviewed consistently indicated high levels of use (several hours, almost daily). Due to the needs-based selection, it can also be assumed that the other individual measures are experiencing a high degree of use.

During several national and local lockdowns in the PT¹⁹ (including 22 March – 5 May 2020) due to the COVID-19 pandemic, some facilities were temporarily closed if they were not related to the health sector. When possible, local executing agencies attempted to switch to virtual platforms (e.g. online meetings). For example, the Princess Basma Center for the Rehabilitation of the Children with Disabilities launched a therapy programme intended to support relatives as they cared for their children at home, and the Yabous Cultural Center opened an online shop where local artists were able to market their products, even during the pandemic. In all random samples of the individual measures, there were temporary restrictions, hygiene concepts were developed, social distancing rules were established, and people were provided with personal protective equipment. In the meantime (as of July 2021), all facilities financed as part of EGP X have reopened and resumed regular operation.

Overall, the individual measures contributed to short-term employment impacts through the use of labour-intensive infrastructure measures. However, these can be deemed marginal in view of the long-term impacts that were sustainably achieved via the infrastructure provided. A positive development worthy of note is that several executing agencies expanded their offerings as a result of the financed infrastructure measures, even making extensions in several cases. Thus, EGP X continues having further positive income effects today, albeit indirect. Due to the total of 38 individual measures realised from the project, 121 long-term jobs were created by the local executing agencies interviewed. These positions are still filled, and in some cases, have even been supplemented with further posts. Such long-term positions, the awarding of building work to local construction companies and the use of local building materials also led to indirect employment impacts.

The indicators used to evaluate target achievement were realised in full, so it is assumed that a temporary reduction of monetary poverty was achieved. In the course of qualitative interviews with selected local executing agencies, it was determined that all the individual measures implemented in the random sample continue to be in a good to very good condition, are in regular use and have not been repurposed in the

¹⁸ UNDP preselected the local executing agencies to be interviewed. Within the framework of this preselection, UNDP suggested 14 local executing agencies in the West Bank and six in the Gaza Strip. To ensure that the same number were interviewed, six local executing agencies from the West Bank were randomly selected. Since the parties were preselected by UNDP, it is not possible to rule out a selection bias, which must be taken into account when interpreting the interview results.

¹⁹ The timeline of administrative orders for containing the pandemic in the PT can be viewed at the following link: <https://global-monitoring.com/gm/page/events/epidemic-0001961.mfeyPrXF2dGM.html?lang=en>.

meantime. The quantitative and qualitative improvement of infrastructure in the PT due to EGP X is plausible due to measures selected using a participatory process based on clear criteria, and the effectiveness is rated as successful.

Effectiveness rating: 2

Efficiency

During the project appraisal, it was assumed that the efficiency of the measures would be limited as investment measures were not aimed towards profitability in the sometimes acute intervention context.

The implementation of individual measures by UNDP is assessed as appropriate and quality-oriented, as in the previous phases. Through many years of cooperation within the context of the EGP project, sound structures and processes have been established which are constantly under further development and rendered more efficient. Civil society groups and community councils are often not directly affected in Financial Cooperation through state structures. Here, UNDP was able to support local executing agencies during the planning and implementation of their projects and thus develop local capacities.

The expanded implementation potential of UNDP in the Israeli-annexed section of East Jerusalem, for which the Palestinian state executing agencies do not have a mandate, should also be highlighted. This made it possible to adopt a complementary approach for the implementation structures of the Palestinian authorities. The five-step selection process, which took place before the project selection, is deemed time-intensive and costly (UNDP checked a total of 436 submitted project applications), but it also ensured high transparency during the project selection. Alternative implementation methods would not have been tested in this context, but the selection process repeatedly demonstrated its value during the EGP phases. The programme's open approach also made it possible to prioritise the measures based on the current needs of the target group. Based on the high administrative and implementation costs due to the patchwork nature of the individual measures, the amount of UNDP management costs (8% of the construction costs) was appropriate, as were the average promotional contributions for the individual projects (amounting to USD 110,000). According to the Call for Proposals, the maximum financial contribution per project should not exceed EUR 200,000 (the equivalent of approximately USD 225,000); a minimum was not prescribed.

Placing orders in small units ensured that the majority of the resources used were local (labour force and material, where possible). Most of the materials purchased in the West Bank were manufactured and procured locally. Due to a blockade of the Gaza Strip, the projects based there were not able to access materials from the West Bank, so most of the materials were manufactured abroad.

The project term lasted 40 months, greatly exceeding the planned duration of 18 months. From today's perspective, this could have been expected as early as the appraisal in view of the Palestinian context. The significant restrictions to transporting people and goods in the Gaza Strip caused by the Israeli blockade, combined with the dependency on approvals from Israeli authorities, also for material imports, justify the implementation period. The targets were achieved almost completely, despite the significant deterioration in the exchange rate (only 79% of the planned budget was available after disbursement). Thus overall, the production efficiency is rated as satisfactory.

The allocation efficiency of the project is rated high, since the open programme that awarded individual measures according to clear criteria in a competitive process made it possible to invest according to the specific needs of the target group. The results of the measures were implemented broadly both in terms of sectors and geography. The map below shows that the measures were not just implemented in the districts most affected by poverty, which somewhat reduced the allocation efficiency in the context of maximising the temporary poverty reduction. However, this was justified against the backdrop of fair distribution, the absorbing capacity of the communities, and the need to spread the risk. Even though there is no comparable data for Jerusalem, it can be assumed that there is a high incidence of poverty among the Arab population. Furthermore, the investments in the West Bank and the refugee camps were selected directly in relation to poverty.

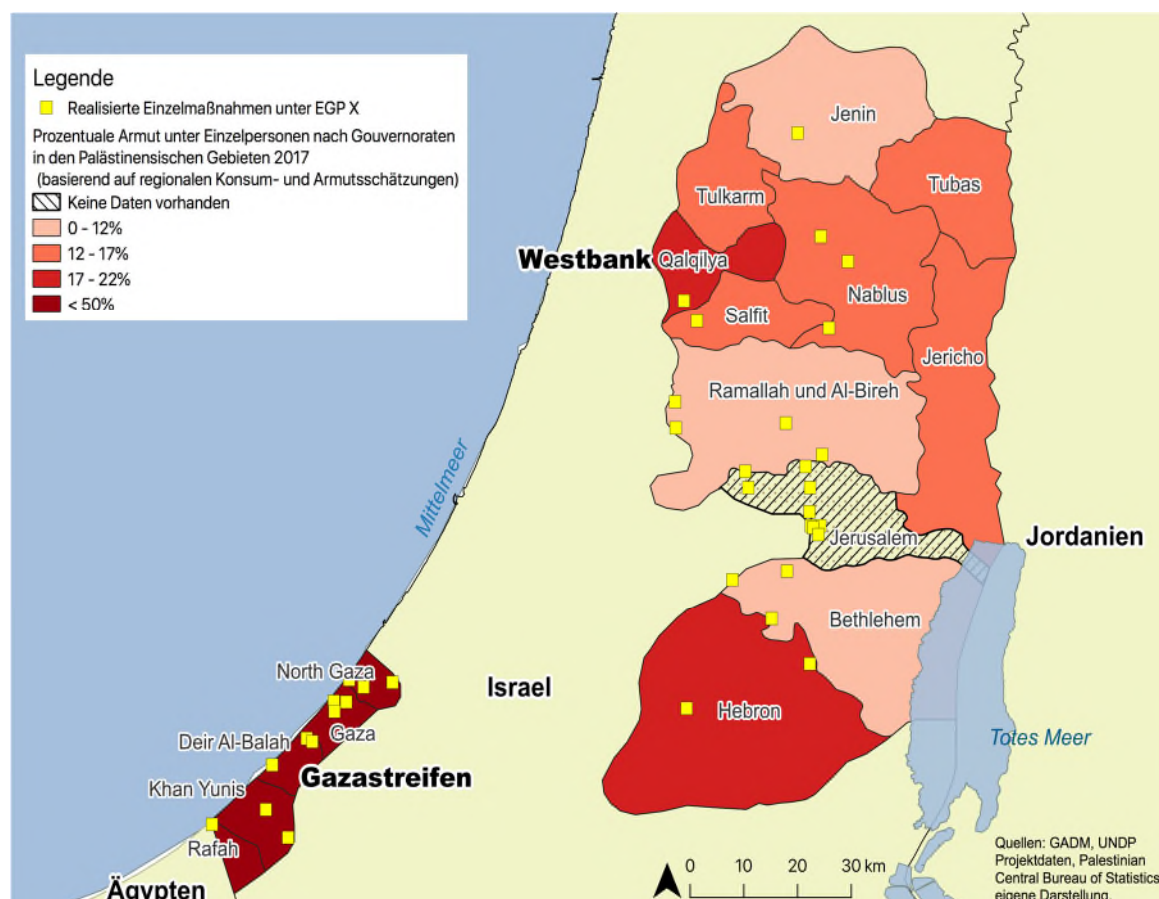


Figure 1

UNDP’s transparent selection process ensured good allocation efficiency. The costly process and the Israeli approval requirements for bringing materials into the Gaza Strip and the associated high coordination efforts justify the delays that occurred. In view of this situation and due to the use of mainly local resources, the efficiency of the FC measure is rated as good.

Efficiency rating: 2

Impact

The overarching development objective (impact) was to improve the living conditions of the population in the project areas of the PT and reduce conflict through the temporary promotion of employment. Although it does not seem very plausible for the temporary employment measures to have a medium- to long-term impact on the living conditions of the target group, long-term positive impacts on the living conditions of the target group can be attributed to the infrastructure created through EGP X. Access to infrastructure is an important premise for combating poverty at a structural level. Through EGP X, facilities including

schools, (further) education facilities, roads and pavements were financed, the use of which will contribute to improved education and mobility of the target group over the medium term. The financed facilities in the health sector also contribute to an improvement in medical care and thus improve the living conditions. This applies for fragile contexts in particular, such as in the PT, as these areas often lack important infrastructure and the population only has limited access to important services.

Proxy indicator	Actual value at PA (2013)	Actual value at EPE (2021)
HDI*	0.696; rank 109 of 189	0.708; rank 115 of 189 (2019)
Palestinian population below the national poverty line	Total: 25.8%*** (2011) Gaza: 38.8%**** (2011) West Bank: 17.8%**** (2011)	29.2%*** (2016) Gaza: 53.0%**** (2017) West Bank: 13.9%**** (2017)
Conflict intensity**	Palestinians injured: 3,992 - West Bank: 3,904 - Gaza Strip: 88 Palestinian fatalities: 39 - West Bank: 27 - Gaza Strip: 11 - Israel: 1	Palestinians injured: 2,750 (2020); 16,201 (as of October 2021) - West Bank: 2,693 (2020); 13,832 (2021) - Gaza Strip: 56 (2020); 2,363 (2021) - Not specified: 1 (2020) - Israel: 6 (2021) Palestinian fatalities: 32 (2020); 338 (as of October 2021) - West Bank: 26 (2020); 73 (2021) - Gaza Strip: 3 (2020); 265 (2021) - Not specified: 3 (2020)

* UNDP; ** OCHA: <https://www.ochaopt.org>; *** World Bank – World Development Indicators; the most recent data available is used in each case. **** PCBS (Palestinian Central Bureau of Statistics): https://www.pcbs.gov.ps/Portals/Rainbow/Documents/Levels%20of%20living_pov_2017_02e.htm; the data indicate the poverty percentages among individuals in Palestine according to monthly consumption patterns; only information in the “poverty” category is presented in the table.

The three proxy indicators at impact level demonstrate a deterioration in the living conditions in the PT since the time of the project appraisal. So, between 2013 and 2019, even though the HDI value improved slightly, the rank decreased. This means that other countries saw greater improvement in their average performance in the most important dimensions of human development than the PT did during the same period. The conflict intensity (measured based on the number of fatalities and people injured) is also significantly higher than it was in 2013 due to renewed clashes in spring 2021, although the intensity of conflicts varies greatly, and calmer phases tend to follow phases of violent clashes. Between 2011 and 2016, the share of the population below the national poverty line rose by 3.4 percent, although there are large regional differences. Due to the pandemic and renewed conflicts, it can be assumed that far higher figures may occur in future. However, the socio-economic developments presented based on proxy indicators cannot be directly attributed to the project (attribution problem) as these are primarily determined by exogenous factors. A downwards trend in the socio-economic parameters induced by the project does not seem plausible either, but it highlights the dynamic and fragile context in the Palestinian territories and here, primarily in the Gaza Strip.

However, based on the individual measures realised in EGP X, it was possible to reduce significant supply gaps. Within the context of the interviews with local executing agencies, it was also possible to confirm

that all the individual measures realised play a significant role in daily life for the target group, independent of sectors, and have contributed to improving the living conditions in the project areas. For example, in several of the built or rehabilitated buildings, health and consultancy services are available that benefit marginalised groups in particular. These groups fundamentally lack assistance and therapy opportunities in the PT. One of the few recreational and leisure facilities in the entire region was also created, which primarily offers children and young people, but also their families, a safe place to relax, bringing an important sense of balance in their everyday lives. Offerings specifically tailored to women were able to contribute to economic emancipation by teaching them skills that are important in professional life (e.g. computer skills). The provision of legal support for marginalised groups by the Palestinian Bar Association – that received an additional two floors through EGP X which are now used for services that include a legal aid clinic, a mock court and conflict resolution centre – can be counted among the improvements in living conditions. Furthermore, some positive impacts were not directly intended, such as knowledge building and institutional learning by the local executing agencies and local construction companies, a feeling of community and social cohesion were fostered within the communities, civil society was strengthened, and long-term jobs were created through the facilities established using EGP X.

The EGP cannot affect the triggers of the political/territorial Middle East conflict, and instead attempts to mitigate its impacts on the population. In addition to the positive and stabilising impacts of the individual infrastructure measures on the population, another goal of the FC measure was to reduce conflict temporarily through the promotion of employment. Scientific literature often refers to the fact that employment measures can promote peace, but there is frequently a lack of empirical evidence.²⁰ In the case of Phase X of the EGP, it is at least possible to find anecdotal evidence based on insights from the qualitative interviews, for example, by reducing the competition for resources (income and infrastructure). Several individual projects completed also targeted the promotion of young people and graduates to give them better chances on the labour market, which creates prospects for the future and increases the opportunity costs for illegal activities. A (partial and also indirect) conflict-reducing impact from the FC measure thus seems plausible. Finally, many of the individual projects aimed to reduce the (social and economic) impacts of the conflict on the target group, so EGP X also contributed to mitigating further drivers of conflict. However, the employment effects (e.g. reduction of monetary poverty) can only rectify the situation in isolated cases, and the workers who benefit from the measures will sooner or later return to their previous situation after the measure has ended. Especially in the Palestinian context, temporary employment measures are not able to create medium and long-term prospects.

A total of 723 individual measures were realised across the Gaza Strip, the West Bank and East Jerusalem within the scope of all previous EGP phases (I–X). Due to the strong geographical distribution of the individual projects alone, they continue to demonstrate broad impacts today. Furthermore, structures, networks and processes have been established within the scope of the EGP which are continually improved, further developed, and expanded in each EGP follow-up phase. The most recent follow-up project IPR (Investment Programme for Resilience) continues the project approach today with very much expanded components to strengthen resilience and social cohesion, it relies heavily upon the structures of the EGP phases and is also implemented by UNDP, ensuring that the experience gained is also used in future. The EGP selection process was adopted almost identically in the IPR programme, which underlines its ability to serve as a model. It is thus unequivocal that the EGP measures had a broad impact overall, and it is completely realistic to assume that – with certain adjustments – it can be replicated in other regions in fragile contexts.

Despite the fact that the positive impacts of the employment measures (reduction of monetary poverty) are only temporary, longer-term positive impacts were also achieved due to the infrastructure measures established, which helped improve the living conditions of the target group and potentially reduce conflict.

Overarching developmental impact rating: 2

²⁰ Brück, T., Ferguson, N. T., Izzi, V., & Stojetz, W. (2016): Jobs aid Peace – A Review of the Theory and Practice of the Impact of Employment Programmes on Peace in Fragile and Conflict-affected Countries. Berlin: International Security and Development Center.

Sustainability

At the point of appraisal, it was assumed that the long-term impacts would be limited because the local executing agencies might not be able to cover the maintenance and upkeep costs for the individual measures in the long term. Even though smaller NGOs and village councils in particular are dependent on donations to maintain their projects, several projects were either able to generate new income opportunities (e.g. by leasing infrastructure) or opportunities to save (e.g. by eliminating rental costs). Three or four years after the completion and handover of the individual projects to the local executing agencies, it is apparent that this risk generally did not materialise, despite the difficult economic conditions caused by the COVID-19 pandemic. Most of the infrastructure measures are still in good condition today and continue to be used, thus continuing to have positive impacts on the living conditions of the target group. According to statements from the local executing agencies, the financial situation is largely stable. In the long term it would be desirable to institutionalise the promotional approach with regular application slots, as this would stabilise the continuity, reliability, and positive impacts of the project.

The employment measures carried out as part of EGP X had less of a long-term impact as the concept here only aimed to create a temporary reduction of monetary poverty. However, the infrastructure measures made it possible to create a total of 121 long-term positions that are still staffed today. The lasting impacts of the COVID-19 pandemic on the Palestinian economy and the possibility of further lockdowns and associated closings of the individual measures threaten their sustainable operation and long-term impacts. It cannot be ruled out that several of the local executing agencies may experience financial difficulties due to a worsening of the pandemic.

With regard to the infrastructure measures, focus has already been placed on the sustainability of the measures within the scope of UNDP's selection process for the individual measures. Local executing agencies needed to provide specific operational and management concepts to qualify for the tender. The respective local executing agencies have been responsible for maintenance and operation themselves after the projects were handed over by UNDP. Several of the local executing agencies interviewed have a set budget for this and, in some cases, even have their own dedicated departments (the larger and more established NGOs). Others stated that small repair work and maintenance measures are taken care of by village inhabitants or employees and budget resources are only allocated if necessary.²¹ As the local executing agencies and local population were largely responsible for the individual measures themselves due to the community-based approach, we can still assume that these parties will diligently take care of the infrastructure and provide appropriate and proper maintenance. Lastly, the projects gave several of the local executing agencies the ability to generate income (e.g. small membership fees, sale/billing of goods/services, lease income) or labour conditions were improved, which continues to have positive impacts on income and savings today.²²

Attention was paid to ensure that the construction measures would be implemented in a way requiring little maintenance and incurring low operating costs (e.g. robust and energy-efficient equipment) to reduce follow-up costs for the local executing agencies. So, the newly constructed buildings included features such as LED lighting, insulation, and double glazing for windows when possible.

Despite the fact that the assessed risks to the project's sustainability are still high due to the ongoing conflict and the continuing COVID-19 pandemic, the individual projects realised are also still in good condition after up to four years and continue to be used. As a result, the sustainability is rated as good overall, fully in line with expectations.

Sustainability rating: 2

²¹ The smaller repair tasks consisted of work like painting, which was performed free of charge by village inhabitants or employees, for example. But some of these tasks were also outsourced to local experts for a fee.

²² For instance, the construction of 12 storage rooms for the individual "Fishermen Syndicate" measure in the Gaza Strip was able to improve the labour conditions for fishermen. And their equipment, some of which is expensive, can now be stored in a weather-proof and theft-proof facility instead of being stored on the beach, which is where this equipment was originally stored. As a result, it no longer needs to be replaced as frequently. Furthermore, the fishermen used to have to spend their nights on the beach when the weather was bad so that they could take care of their equipment. This is also no longer necessary thanks to the storage facilities.

Notes on the methods used to evaluate project success (project rating)

Projects are evaluated on a six-point scale, the criteria being **relevance, coherence, effectiveness, efficiency, overarching developmental impact** and **sustainability**. The ratings are also used to arrive at a **final assessment** of a project's overall developmental efficacy. The scale is as follows:

Level 1	Very good result that clearly exceeds expectations
Level 2	Good result, fully in line with expectations and without any significant shortcomings
Level 3	Satisfactory result – project falls short of expectations but the positive results dominate
Level 4	Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
Level 5	Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
Level 6	The project has no impact or the situation has actually deteriorated

Rating levels 1-3 denote a positive assessment or successful project while rating levels 4-6 denote a negative assessment.

The **overall rating** on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Rating levels 1-3 of the overall rating denote a "successful" project while rating levels 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") and the sustainability are rated at least "satisfactory" (level 3).