Palestinian Territory Country Report

Document Name	Country Report Palestinian Territory_005
First version	7 April 2020
Update	June 2021
Version	005
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Status	Approved

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Executive Summary

Background information

Population	5,2 million (2021)
GDP per capita	3,239.73 USD (2021)
GDP Growth rate	-11,5% (2020)
Urbanization rate	3,3% (2013)
Inflation rate 2018 (3y)	-0,7% (average 3,2%/y since 1997)
Exchange rate ILS USD	0,31(2020), 0,29 (2019) 0,27 (2018), 0,29 (2017)
Doing Business index	117/190
Corruption index	107/180

Policy and planning environment

- Local Authorities Law No.1 (1997),
- Environment Law No.7 (1999) amended in 2013, Public Health Law No.20 (2004), modified Palestinian Basic Law 2005 Article (33),
- Medical Wastes Management cabinet decision No. 10 (2012),
- Joint Services Councils (JSCs) Bylaw approved by cabinet (2016),
- Solid Waste Management cabinet decision No. 3 (2019)
- Solid Waste Management Bylaw (2018)

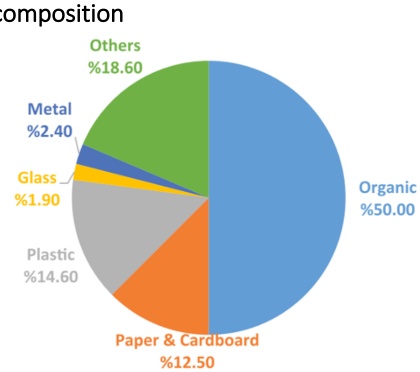
National strategies and plans:

- National Development Plan (NDP) 2014-2016 to increase the percentage of recycled solid waste to 25 percent by 2016, which according to the NSSWM 2017-2022 made up less than 1 percent in 2017. The latter once again set a new and overly ambitious goal to reach 30 percent by 2022.

Waste conditions (R = Rural; U = Urban)

MSW generation	1,59m ton p/a 4356 tpd (2018)
MSW Growth rate	4% p.a.
Collection rate	92%
MSW treatment	
- S. Landfilled	33%
- Open dump	67%

Waste composition



Legal Framework

- Ministerial decree to use ZF landfill as the only authorized site for waste disposal for the northern governorates in the West Bank.
- The basic regulation on the Joint Service Councils of year 1996, and its update for years 2003 and 2006: It provides a legal framework for the joint service Councils (jsCs) in term of financial and administrative issues, in addition to their mandate and responsibilities. It sets the relation between the jsCs and the MoLg as well.

Opportunities

- Palestinians face many difficulties in solid waste management due to the policies of the occupation, but waste amounts are increasing due to both population growth and consumption patterns.
- The 6 operational landfills will face short of capacity in the very short term

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Country risk assessment

Flagged item	Mitigations	Red flag?
Water is scarce in Palestine which can impact the plant's design and costs.	- Engineering partner does consider this as manageable (acceptable design condition). 5m3 of water consumption will be assumed. - A geotechnical study will be performed to confirm the water availability	No
Examining the nature and extent of approvals/consents/authorizations/facilitations required from the Israeli side to develop and implement this type of project and verifying the Israeli side's willingness and appetite to cooperate and provide the required support.	- Government to Government relations between the Netherlands and both Israel and the Palestinian Territories are very good. - SPV to liaise with COGAT (Coordination of Government Activities in the Territories) to understand requirements. - A permit assessment study will be executed in the very first stage of the project, listing all permits and licenses, requirements, timelines, etc. This includes the permits needed from Israel and must give insights in potential issues and mitigations	No
Conducting a grid impact study and verifying the availability of the necessary interconnection facilities and solutions.	- PETL must guarantee the electricity offtake and sufficient grid capacity, secured in the PPA. - PETL has executed a grid study and identified that the existing grid is not sufficient. The existing grid will therefore be expanded. The milestones for this matches the development milestones of the plant. Realization will be done in parallel.	No
Limited framework and knowledge within the Palestinian government in Waste-to-Energy, ensuring the bankability of the project agreements (PPA, Waste Supply, Interconnection, Government Guarantee, etc.)	- **Solved**: during 2021-2023, all project contracts have been successfully negotiated and signed with the support of international law firms.	No
Examining the past practice of waste delivery, quality of the waste, elements of the waste concession and the environmental, social and governance operations of the key project parties.	- A feasibility study (waste) was included in the tender documents. - A waste characterization study (WCS) will be executed. Proposals from local consultants are in place and ready to be executed. - A waste development study will be executed as well, looking into expected future development of the waste quality. For this, proposals are in place and ready to be executed as well.	No

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1. Economic

1.1. Waste Analysis – amount[1]

Palestinians from West Bank and Gaza generated about 1.59 million tons or nearly 4,356 tons/ day in 2018. Average production per capita is about 0.9 kg/day. Most of municipal waste (94%) is collected by municipalities, the UNRWA (in refugee camps especially) and Joint Service Council (JSCs). The JSCs collect about 65% of the municipal waste; the remaining waste is taken care off by the previously mentioned service providers and the private sector. Disposal methods are mainly landfilling and dumping (random or controlled). **It is estimated that about 30-35% of municipal waste is illegally dumped and 65-70% is disposed in one of the six operational landfills existing in Palestine**. These landfills face the risk of over-capacity in the short term, due to land restrictions, low primary separation and an increase trend in waste quantities. The use of solid waste transfer stations (TS – a place where solid waste is temporarily deposited and often separated to be later transferred to the final disposal site) is a relatively new approach in the Occupied Palestinian Territory (OPT). There are currently 12 operational Palestinian TS (11 in West Bank; 1 in Gaza Strip) and 3 newly constructed (in WB and GS). These TS have a good potential for waste segregation and recycling activities, thus helping to reduce the amount of waste finally disposed in landfills; however, their use is still underdeveloped.

In addition, Israeli settlements in the West Bank generated about 1,200 tons/day in 2017, with a 1.9 kg/capita/day generated, due to their lifestyle and access to resources. In general, settlers use the Tovlan landfill in the North and Al Minya landfill in the South, as well as other dumpsites. Several Israeli industrial parks/zones (19 in 2015) are located in the West Bank and produce solid waste. There are as well three Israeli transfer stations: Al Abdaly for municipal waste, as well as RA Ofek and Green Danlop for construction and demolition waste. Cost recovery is a real issue for the municipalities in the OPT. Despite the fact that there are national guidelines for tariff, cost, and fee collection, there is no unified application in the fee collection system and this has consequences on the long-term capacities of municipalities and JSCs to maintain a satisfying service to the Palestinians. Another characteristic of the solid waste management in the OPT is that most of the large projects, like landfill rehabilitation or composting pilot projects for example, are dependent on external funding for capital cost investment. The main composition of municipal waste is organic (about 50%), followed by plastic (17% in average) in progression and paper/cardboard (11%). Despite this large portion of biodegradables and recyclables, only a small fraction is collected for reuse (about 3%), among which about 1% is recycled. Moreover, the only materials currently recycled in the OPT are organic waste, some plastics and some cardboard. The others, like metals, are collected and sent abroad. The Palestinian market in materials' reuse/recycling is characterised by its small size, informality and fluctuation. The great majority of pilot projects implemented in the last 10 years focused on composting mainly, as well as some plastic and paper/carboard recycling. There is a recent growing interest for E-waste, due to the negative ecological consequences and health problems its treatment and disposal provoke in the areas concerned. Special waste (industrial, construction and demolition, health-care waste, e-waste...), is difficult to estimate in its totality. Some of it is mixed with municipal waste and some is collected and treated separately, like health-care waste. Construction and demolition waste and tires for example are disposed in separated places; E-waste refuse is either recycled, illegally burnt or disposed in landfills; health-care waste treated or non-treated ends up in landfills usually. There are, for the moment, no clear instructions, data and information about most types of hazardous wastes. Solid waste management (SWM) in Palestine, despite its crucial importance, is not sufficiently recognised, valued and supported and is confronted with several challenges: the need for a legislation well adapted to the realities on the

[1] https://www.cesvi.eu/wp-content/uploads/2019/12/SWM-in-Palestine-report-Thoni-and-Matar-2019_compressed-1.pdf

ground and including all aspects in SWM; effective means for its implementation; the lack of an efficient data collection and management system and reporting about different waste types; the need for a certain financial autonomy; the need for technical expertise, equipment and modern infrastructure; performant human resources; the need for innovative solutions in waste segregation and treatment; as well as the poor involvement of the civil society and low public awareness. The persistent improper behaviour of residents and the increasing generation of waste exacerbate these challenges.

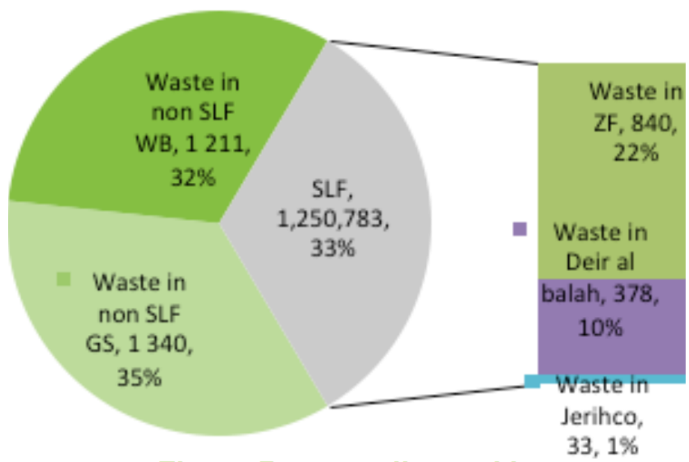


Figure 5: waste disposal in Palestine (2012) ton/day

Table 1: Number of disposal sites in Palestine by location

Governorate/ region	Dumpsites			No landfill gas collection yet		
	Total	Not in use	Controlled	SLF	Year of data	Source
Ramallah	83	41	0	planned 1	2013	JSC Ramallah and Al Bireh
Jericho	2	1	0	active 1	2013	Jsc Jericho (to be expanded)
Nablus	34	23	0	0	2013	EQA
Salfeet	10	2	0	0	2009	EQA
Qalqilya	7	7	0	0	2013	EQA
Jenin	0	0	0	active 1	2013	Jenin JSC
Tubas	0	0	0	0	2013	Jenin JSC
Hebron	1		1		2013	H&B JSC
Bethlehem	4	1	0	ready for use 1[12]	2013	H& B JSC
Tulkarm	12	11	0	0	2013	EQA
Jerusalem	1 Israeli managed			0	2009	EQA
Gaza strip*	9	1	2	1 operational + 1 planned	2012	Feasibility study GS
Total	163	87	3	6		
		53%	2%	4%		

Table 2: Planned sanitary landfills in Palestine

No	Location	Location	Capacity (cubic meters)	Capacity to build in phase I	Expected date of operation
1	Rafah – Gaza Strip**	Al Fukhari	15.99 million	phase I 215 dunums* out of 476 (i.e. 45%)	2015
2	East of Rammun – West Bank	Ramallah and Al Bireh Governorate	2.75 million	25%; 687,5000 m^3	2015
3	Jericho -	Jericho (expansion building cell 2)	50,000	50,000 m^3	2014

**Dunum is 0.1 hectare.*

*** Additional site is planned in GS, but no planning figures available yet.*

Table 3: Existing sanitary landfills in Palestine

No	Name	City	Open Year	Closure Year	Area (in hectares) Built	Design Capacity built (Million m3)	Amount of waste already disposed	Average height (in m) - Design	Current Annual capacity Ton/year	Population served
1	Zahrat Al Finjan	Wadi Ali – between Arrabeh and AJA	2007	2017	9.5	2.9	532	60	306,543	968,877
2	Al-Menya Landfill*	Al Menya	2013	2033	10	2.65	0	50	229,950	905,113
3	Deir El Balah	Deir Al Balah	1997	overdue/ should be closed no alternative yet far beyond capacity	NA	0.7725	1,600	NA	137,947	NA
4	Jericho Sanitary Landfill Fill - cell 1	Jericho	2007	2014	1.03	0.0685	64	6.5	11,500	40,805

** To be operated by the beginning of 2014* *NA – Not available*

In General, the joint service councils in cooperation with MoLG and EQA has been working on rehabilitation of sites. In addition to the 85 sites that were rehabilitated and closed between 2001 and 2007 in northern governorates in the West Bank 15 sites were rehabilitated in since 2010 in north and south of the West Bank. A big group of dumpsites is not in use at the moment due to transfer of waste from random dumpsites to ZF SLF, particularly in the northern governorates in the West Bank (see case study 2). Fifty percent of the non-used dumpsites are in the Governorate of Ramallah and Al Bireh, it is planned to close these dumpsites within the coming three years, funding for closure is partially provided by KFW to the JSC of SWM in the governorate.

It is important to indicate that the biggest obstacle to improving solid waste management remains the political situation. All land that can be used to construct waste disposal facilities is located in "Area C", according to OSLO agreements division of land. Hence permits are required not only from Palestinian relative institutions, but also from the Israelis. Licensing of environmental facilities, including waste facilities has been delayed for years in Palestine. The project in Ramallah has been in planning phase since 2003, and up to date the license for construction is not granted yet. While planning phase ends up taking a long time, the use of random dumpsites remains the only alternative.

In 2012, PCBS indicated that there are about 563,546 Israeli Settlers in the West Bank (including Jerusalem).13 UNEP has estimated in 2003 that Israeli settlers produce 2 kg/c/day (excluding hazardous waste).14 Even if this waste generation per capita has not increased, it means that these settlers produce 411,389 tons/year (excluding waste produced from Israeli industrial areas in the West Bank). About 80% of the waste generated from these Israeli settlers is disposed of in random dumpsites in the West Bank15, making 0.33 million tons/year that is disposed in random dumpsites.

Composting of municipal waste

There have been two attempts for composting in municipal waste in Gaza Strip and both failed due to lack of market for compost. Both composting sites stopped operating. In Deir Al Balah, piloting of composting of solid waste was attempted, however due to limited compost market, the pilot was stopped. The second pilot was built by the end of 2011 in Rafah. The land is owned by Rafah municipality and utilities are also paid by the municipality. An NGO (Palestinian Environmental Friends Association) was running the plant, and the rest of the operations were fully subsidized by UNDP from December 2012 till June 2013. As soon as UNDP subsidy stopped, the plant stopped operating. During the operational period a total of 70 ton/day entered the site, of which 20-30% was sent to the disposal site of Rafah municipality utilizing the municipality's solid waste collection equipment. The design capacity of the site was for 120 ton/days. The NGO could not sell the compost to farmers. The NGO conducts some sorting of recyclables, although amounts are not documented and selling price was not provided by the NGO. Operational costs of the facility are not available).

Recovery of materials and recycling

Recycling is practiced at very small scale in Palestine, mainly hard plastics are recovered (PP, HDPE, ABS). In Gaza Strip, recycling is highly linked to availability of raw materials, which in turn depends on siege and ability to import raw materials (legally and illegally) (Table 4).

Table 4: Plastic recycling in Gaza Strip: source feasibility study[18]

Year	Ton/year	% of plastic	% waste
2010	10,000	20%	
2011	1,000	2%	Less than 0.5% of waste in GS.
2008/2009		90 %	

In the West Bank there was only one study conducted about recycling. In 2010, recycling was about 6,400 tons/year;19 which is equivalent to less than 1%. In total recycling in both GS and WB is less than 1% of the waste. Furthermore, it can be estimated that most of the recovered material is cardboard; metal is not accounted for as no data are available. Figure 6 presents the distribution of waste recovered in West Bank.

Table 5: Recycling in west bank – Source (recycling study -img [20])

Year	2010
Plastic	2.38 t/day - 868.7 t/year
Cardboard	442t/month - 5,304t/year
Metals	No data but most of metals are collected or sold prior to becoming waste.
Glass	0.5ton/day - 183ton/year
Total	**6,356t/year - Less than 1% of waste in the West Bank**

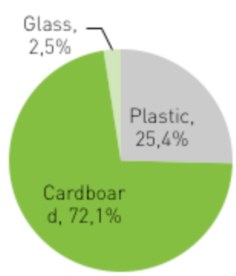


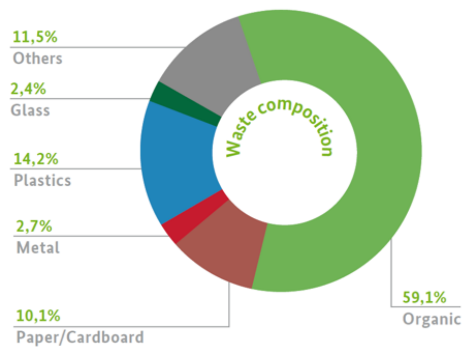
Figure 6: Distribution of waste recovered in the West Bank.
(Note metals are not included, since they are collected prior to becoming waste). Source: data in tables 4 and 5.

In general, there are slightly less than 200 persons in Palestine who are waste pickers, recovering recyclables from disposal sites and transfer stations. The amounts recovered by these waste pickers are not known.

1.2. Waste Analysis composition

Waste composition to determine caloric value, 50-80% certainty

Waste composition data in Palestine is very limited. Based on the data available it was found that organic waste forms 59% of the waste, recyclables (paper, cardboard, plastic, glass and metal) form 29.4%



2. International Support

2.1. Economic Analysis

Real GDP growth in the Palestinian economy was barely positive in 2018 due to a steep deterioration in Gaza and a slowdown in the West Bank. Gaza's economy has been kept afloat in recent years by large transfers including donor aid and spending through the budget of the Palestinian Authority (PA), both of which amounted to 70-80 percent of Gaza's GDP. However, these two sources have significantly declined recently resulting in economic activity in Gaza shrinking by 8 percent in 2018. In the West Bank, real growth has declined to around 2 percent in 2018, lower than its average in previous years as the decrease in aid inflows and the recurring clashes with the Israeli forces have impacted economic activity.

Under a baseline scenario that assumes a continuation of the Israeli restrictive regime and the persistence of the internal divide between the West Bank and Gaza, private sector activity is not expected to pick up and real GDP growth of the Palestinian economy is projected to hover around 0.5-1.6 percent between 2019 and 2021. This growth level implies a yearly decline in real per capita income by around 2-3 percent. Inflation will remain subdued with inflation hovering around 2 percent in 2019-2021.

Despite the PA's efforts to increase reve-nues and rationalize spending, the Israeli decision to reduce transfers of VAT and import duties collected on behalf of the PA (clearance revenues) will negatively impact the PA's fiscal situation in the coming years. A continued decline in for-eign aid is also expected, hence, the fiscal deficit (after grants) is projected to reach 6.5 percent of GDP in the forecast period. As in previous years, the PA will resort to domestic sources of financing including debt from local banks and arrears to the private sector and the pension fund, crowding out the private sector.[2]

2.2. Government to Government support

In the peace process between the Israeli and Palestinian authorities, the Netherlands (like the European Union) favours a two-state solution, which would enable a secure Israel and an independent, democratic and viable Palestinian state to exist peacefully side by side.

If efforts to secure a two-state solution are successful, Israel and the Palestinian Liberation Organisation will have reached a definitive peace agreement. Unless the parties decide on other borders in their negotiations, the peace agreement would be based on the borders that existed before 4 June 1967 (i.e. before the Six-Day War). This means the future Palestinian state would consist of the Gaza Strip and the West Bank, including East Jerusalem.

The security of both Israel and the future Palestinian state must be guaranteed. There will also need to be negotiations about the status of Jerusalem and the refugee issue.

The Netherlands regards the Israeli settlements in the occupied Palestinian Territories as illegal. They are in conflict with international law and pose a serious threat to the peace process.

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2 World Bank - http://pubdocs.worldbank.org/en/904261553672463064/Palestine-MEU-April-2019-Eng.pdf

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The Netherlands has deep and good relationships with both Israel and the Palestinian Authority and wishes to deepen these ties even further. The Netherlands is working actively with both parties to improve the socioeconomic situation in the Palestinian Territories, and hopes to contribute to a definitive solution.[3]

Israel is known for its internationally successful technology sector. Years of strong economic growth brought prosperity and modernization to the country. But there are major challenges. The infrastructure is not designed for this growth. Waste accumulates, substantial waste of resources takes place and the environment becomes polluted.

A national action plan for the circular economy has been designed to turn the tide. Israel sees the Netherlands as a guide country. RvO organises participation in Palestine's missions to open opportunities to Dutch companies - from start-up to large corporation - and knowledge institutions. Women entrepreneurs, knowledge institutions and start-ups are emphatically invited to participate in these missions.

2.3. Political Analysis

The last period (-> 2021) has been marked by much political uncertainty concerning Israel/Palestine issues. On 18 November 2019, US Secretary of State Mike Pompeo reversed the US position on Israeli settlements. "After carefully studying all sides of the legal debate. The establishment of Israeli civilian settlements in the West Bank is not, per se, inconsistent with international law", he told a press conference. The Secretary-General's spokesperson Stéphane Dujarric stated the next day in response to press inquiries that the UN "very much regrets" this announcement and that the UN's position has not changed. Additionally, the ten elected Council members appeared at a press stakeout after the Council's meeting on 20 November 2019 responding to the issue. Jürgen Schulz, Deputy Permanent Representative of Germany, reiterated the elected members' support for international law regarding the illegality of the settlements. He also repeated their collective concern about the possible annexation of areas in the West Bank. This comes on the heels of several announcements in 2019 by Israeli Prime Minister Benjamin Netanyahu that he would annex all Israeli settlements located in Palestinian territories if he won the election and a specific promise that he would annex the occupied Jordan Valley in the West Bank.

However, despite holding two elections in less than six months (most recently on 17 September 2019), Israel still does not have a government. Since the first 2019 election, held in April, Netanyahu's Likud party has been engaged in a tight bid for power with the Blue and White Alliance, led by Benny Gantz, a former Chief of Staff of the Israel Defense Forces (IDF) and a former Netanyahu ally. In December 2018, Gantz established a new political party, Israel Resilience, which, along with the Blue and White Alliance in which it plays a leading role, is considered a more centrist option to the right-wing Likud. He has heavily criticised Netanyahu's role in three separate corruption cases and on 19 September seemingly ruled out any possibility that Blue and White would serve in a coalition with Netanyahu, though the alliance has left open the possibility of a secular unity government with Likud but without Netanyahu. There have also been reports that Netanyahu and Gantz might alternate the post of prime minister as a compromise. Since attempts by both groups to form a coalition failed, however, the country's politics have been at a standstill. On 11 December 2019, President Reuven Rivlin announced that, as a result of the inability of the leaders to form a coalition, a historic third election was necessary. It will most likely be held on 2 March 2020.

Until the next elections are held and a new government is formed, the country will continue to be led by Netanyahu in a caretaker role. Further complicating matters, Netanyahu was indicted on 21 November 2019 on charges of fraud, bribery and breach of trust. It is unclear if Netanyahu is legally able to run for the post of prime minister under these circumstances, although Israeli law allows a prime minister to remain in office even if indicted. There has been pressure on Attorney-General Avichai Mandelblit to issue a ruling on whether an indicted candidate can compete, which had not been made at press time.

Preparations have begun for the Palestinian Authority to hold its first parliamentary and presidential elections in 14 years. Parliamentary elections could happen as early as February 2020, with presidential elections to follow three months later. During the opening of the UN General Assembly in September 2019, Palestinian Authority President Mahmoud Abbas announced

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[3] Gov. of The Netherlands - https://www.government.nl/topics/international-peace-and-security/middle-east-peace-process

general plans for elections. However, several challenges remain, particularly the need for logistical plans and ongoing discussions about how to hold elections in Gaza given the split between Hamas in Gaza and Fatah in Ramallah.

The Council discussed the situation in the Middle East, including the Palestinian question, during its regular monthly meetings in November and December 2019, along with the quarterly open debate in October 2019. Mladenov briefed at all three sessions. He repeatedly warned the Council in these meetings that there were “new dangerous flashpoints” emerging on this file, as he said during the October open debate. He also underlined the continued humanitarian challenges in Gaza and the ongoing settlement issue. His concerns about increasing tensions were underscored by 48 hours of what he described during the November meeting as “the most serious recent escalation between Israel and Palestinian militants in Gaza”. During that period, Islamic Jihad launched around 450 rockets at Israel, while Israeli strikes against Islamic Jihad targets killed a senior leader of Palestinian Islamic Jihad, Baha Abu al-Ata, and more than 30 other Palestinians, including three women and eight children.

On 18 December 2019, the Council received its quarterly briefing on the implementation of resolution 2334 of December 2016, which condemned Israeli settlements. Mladenov presented the Secretary-General’s written report, only the third since resolution 2334 was adopted. The report showed that no steps had been taken to cease settlement activity. In the report, the Secretary-General stressed his concern, noting the overall increase in approved settlements, incidents of settler violence, the worrying humanitarian situation in Gaza, and the need for Egyptian-led intra-Palestinian reconciliation efforts to continue.

Human Rights-Related Developments

In a 15 November 2019 statement, the special rapporteur on human rights in the Palestinian territory occupied since 1967, Michael Lynk, applauded the 12 November 2019 ruling by the European Court of Justice, which held that food products produced by Israeli settlements in the occupied Palestinian territory must indicate that they originate from a settlement and not be described as a “product of Israel”. In a 19 November 2019 statement, Lynk said the US announcement that Israeli settlements do not violate international law “is a decisive break with international consensus and will only further entrench the perpetual Israeli occupation”. He added that the decision was “the very last nail in the coffin of the two-state solution” and that it “effectively grants permission to the Israeli government to formally annex large parts of the occupied West Bank, as it has already done with East Jerusalem”.

Key Issues and Options

The Council remains stalled on the Israel/Palestine issues because of its internal divisions. Apart from the scheduled monthly meetings, Council members could choose to hold an Arria-formula meeting or an informal interactive dialogue to highlight specific issues facing the region. This was done in May 2019 when an Arria-formula meeting was held on Israel’s construction of settlements. Viet Nam, as president of the Council for January, could also invite a civil society representative to brief during the open debate, as was done twice in 2019, in April and November.

The same chief issues are likely to continue to be discussed by Council members: the blockade against Gaza, concerns about the Gaza humanitarian situation, the importance of progress on the intra-Palestinian reconciliation process, and the viability of the two-state solution in the current political and security context.

Council and Wider Dynamics

There are deep divisions between the US and other members of the Council on the Israel/Palestine issues. Several Council members have criticised US actions, such as moving its embassy to Jerusalem and tacitly supporting Netanyahu’s statements about annexation of the Jordan Valley. More broadly, with the upcoming elections in Israel, Palestinian Authority and the US, some members may want to await their outcomes before making policy decisions. The lack of international consensus even on previously agreed parameters only heightens the complexity.

Indonesia, Kuwait and South Africa have emerged as a strong, like-minded group to push for increased discussion and outcomes on this issue, focusing especially on promoting the rights and needs of Palestinians. With Kuwait leaving the Council and its seat being taken by Tunisia, this dynamic may change. (The seat reserved for Arab countries alternates between the Asian and African geographic groups.)[4]

[4] Security Council Report - https://www.securitycouncilreport.org/monthly-forecast/2020-01/middle-east-israel-palestine-3.php

3. Legislation

3.1. WtE Policy and Legislation

The private sector participation in the solid waste management is considerable low till now; mainly the solid waste management is being carried out either by joint service Councils (jsCs) or by the local governmental Units (LgUs). UNrwA is carrying the management of solid waste in the refugee camps in the west Bank and gaza strip.

The participation of the private sector (Ps) in solid waste collection is relatively low if compared to the service being done by the LgUs or the jsCs. Ps is partially participating in some rural localities, PCBs indicated that less than 3% of the households receive their waste collection from private sector52. Private sector involvement in solid waste collection is limited to very small communities who contracts out a person who has an agricultural tractor and collects the waste and dispose it using its tractor on the other hand Ps is carrying out the operation of the transfer station in Nablus (sairafi transfer station) from which the waste collected is being transferred to the sanitary land fill of Zahet Al Finjan. Moreover, private sector is operating the transfer station of Ramallah city, and it is envisaged to operate the transfer stations of hebron during 2013. Moreover, the private sector was contracted to operate the dumpsite of Yatta in hebron governorate, and an international private company will operate the sanitary landfill and the two transfer stations in the southern areas of the West Bank (contract in process).

Although the laws and regulations to some extent are supporting the participation of the Ps in the solid waste management systems, still the participation is not that considerable. More efforts and facilitation from the official institutions is needed in order to enable the Ps to merge in solid waste management. Incentives for the Ps are needed either in solid waste management systems.

The national strategy for solid waste management (2010-2014) has a strategic objective relevant to private sector participation as indicated in Table 14, however these interventions were not implemented. The laws relevant to private sector participation are mentioned in the legal section.

Table 14: National strategy for solid waste management (2010-2014) in relation to private sector participation

Strategic objective	Policies	Interventions	Key executing agency
Increasing the participation of the private sector	Creating an enabling investment environment that encourages private sector to participate	Provide incentives needed to encourage private sector to invest and participate in SWM	Ministry of National Economy (MNE)
		Prepare guides for private sector participation in SWM, including templates for standard contracts, participation options and methods for regulating of performance	Ministry of Local Government (MoLG)
		Implement a training program for local authorities and joint service councils, covering action for qualification of private sector, bids preparation and evaluation, contracts preparation and negotiations and performance monitoring tools	MoLG

According to the Local Authorities Law, the Ministry of Local government (MoLg) has the responsibility for setting general policies for the work of local units (LgUs and joint service Councils) and supervising their responsibilities, as well as financial and administrative monitoring on local units (Article 2). LgUs responsibilities include collection, transfer, and disposal of solid waste (Article 15a). According to this law, municipalities can provide their services directly, through private sector, or jointly with other municipalities through a joint service Council (Article 15a). The establishment of jsC is further regulated by the bylaw for joint service Councils issued in 200628. In 2010, the MoLg has issued a strategy to further support joint councils' development, however the strategy excluded joint service councils for solid waste management.

The following laws regulate the private sector participation in the solid waste sector:
• The Investment Law31 gives financial incentives in the form of tax deductions to companies with capital investment more than 100,000 USD; however, solid waste projects cannot benefit from this law without prior approval from the Ministerial Cabinet, while other sector can directly utilise this law ;

• The Local Authorities' Law gives the right for LgUs to sign contracts with private sector companies as long as the duration is less than three years. Investments in solid waste are usually high, requiring more than three years to recover these investments, hence requires contracts on longer bases. Agreements longer than three years will require the approval from Minister of Local government.

Ministerial decrees relevant to solid waste management

The following ministerial decrees are topic specific on issues relevant to solid waste management:

• A ministerial decree was issued by the Ministry of National Economy after discussion with MEnA that prohibits the import of the following items without prior approval from the two ministries: chemicals, chemicals' containers, used plastics, used asbestos, used oils, pesticides and insecticides without an Arabic label, used computers, and used computer parts ;

• Ministerial decree to use ZF landfill as the only authorized site for waste disposal for the northern governorates in the west Bank. It is important to note that after the operation of ZF in jenin started, EqA issued a ministerial decree that prevent the use of any other site for northern governorates;

• The basic regulation on the Joint Service Councils of year 1996, and its update for years 2003 and 2006: It provides a legal framework for the joint service Councils (jsCs) in term of financial and administrative issues, in addition to their mandate and responsibilities. It sets the relation between the jsCs and the MoLg as well.

Environmental legislation[5]:

- Local Authorities Law No.1 (1997),
- Environment Law No.7 (1999) amended in 2013, Public Health Law No.20 (2004), modified Palestinian Basic Law 2005 Article (33),
- Medical Wastes Management cabinet decision No. 10 (2012),
- Joint Services Councils (JSCs) Bylaw approved by cabinet (2016),
- Solid Waste Management cabinet decision No. 3 (2019)

National strategies and plans: National Development Plan (NDP) 2014-2016 to increase the percentage of recycled solid waste to 25 percent by 2016, which according to the NSSWM 2017-2022 made up less than 1 percent in 2017. The latter once again set a new and overly ambitious goal to reach 30 percent by 2022.

3.2. Procurement Methods

Table 4: Procurement methods for Goods and their applicability limits

	Contract Limits	**no threshold ***	**<=$100,000**	**<=500,000**	**Over $500,000**
Goods	*Procurement method*	Direct Purchase[4]	RFQ	NCB with international suppliers allowed to participate	International Competitive Bidding (ICB)
	# of bids or Participating bidders	Single bid	Minimum 3 quotations	unlimited	unlimited
	Solicitation period	-	7-14 days	30days	minimum 30 business days
	Bid documents to be used		Annex 2	WB Request for Bids (RFB) for Goods-Single Envelope, January 2017[5]	WB Request for Bids (RFB) for Goods-Single Envelope, January 2017

[5] https://www.unep.org/resources/report/global-methane-assessment-benefits-and-costs-mitigating-methane-emissions

National Competitive Bidding (NCB) Goods

National Competitive Bidding is the preferred method for national Procurement and shall be used to the greatest extent possible using the following procedure detailed

a) Government-owned enterprises in the West Bank and Gaza shall be eligible to participate in bidding only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not a dependent agency of the Palestinian Authority.
b) Foreign bidders shall be eligible to participate under the same conditions as local bidders. In particular, no preference over foreign bidders shall be granted to local bidders in bid evaluation.
c) Invitations to bid shall be advertised on MDLF's free-access website and for two consecutive days in at least one newspaper of national wide circulation, and prospective bidders shall be allowed a minimum of thirty (30) days between the date on which the notification appears for the first time and the deadline for bid submission. With the specific approval of the Bank, this minimum period of 30 days may be reduced to a minimum period of 10 days in the case of emergency operations.
d) Qualification criteria shall be clearly specified in the bidding documents, and all criteria so specified, and only criteria so specified, shall be used to determine whether a bidder is qualified. Bids of bidders not meeting such criteria shall be rejected as non-qualified. The fact that a bidder meets or surpasses the specified qualification criteria shall not be taken into account in the evaluation of such bidder's bid.
e) Evaluation criteria shall be clearly specified in the bidding documents, and all evaluation criteria other than price shall be quantified in monetary terms. All evaluation criteria so specified, and only criteria so specified, shall be used in bid evaluation. Merit points shall not be used in bid evaluation.
f) Bids shall be submitted in sealed envelopes and shall be accepted whether mailed or hand-carried.
g) Bids shall be opened in the presence of bidders who wish to attend, and immediately after the deadline for bid submission. Said deadline, and the place of bid opening, shall be announced in the invitation to bid. The name of each bidder, and the amount of his bid, shall be read aloud and recorded when opened in the minutes of bid opening. The minutes of bid opening shall be signed by the members of the bid opening committee immediately after bid opening.
h) Bids received after the deadline for bid submission shall be returned to the bidders unopened.
i) A bid containing material deviations from, or reservations to the terms, conditions and specifications of the bidding documents shall be rejected as not substantially responsive. A bidder shall not be permitted to withdraw material deviations or reservations once bids have been opened.
j) The bid evaluation shall be carried out in strict adherence to the criteria specified in the bidding documents, and the contract shall be awarded to the qualified bidder offering the lowest evaluated and substantially responsive bid.
k) A bidder shall not be required, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify his bid as originally submitted.
l) There shall be no post-bidding negotiations with the lowest or any other bidder. April 2018 30
m) Until standard bidding documents acceptable to the Funding Partners have been introduced by the Recipient, the standard bidding documents of the Bank shall be used.

Preparing the bidding documents

1. The Procuring Entity shall assemble the bid packages based on the contract type and procurement method selected. Documents needed for Bids shall be prepared by the Procuring Entity following the Bank's Standard Bidding Documents for Goods 6 and shall contain all the necessary information to enable competition among Bidders to take place on neutral and objective terms.
2. The Bidding Documents for Goods shall, depending on the context, among others include:
   (a) instructions for the preparation and submission of a Bid;
   (b) information concerning the date, hour (local time) and location of the receipt and Public opening of the Bid(s);
   (c) a Bid Submission Sheet and sample formats for Bid Security; Performance Security and manufacturers' authorization, where applicable;
   (d) the number of copies to be submitted with the original Bid;
   (e) Conditions of Contract, general and special;
   (f) detailed specification of requirements;
   (g) Bid validity period;
   (h) evaluation criteria of Bids and the way in which those criteria shall be applied;
   (i) bidders' qualification requirements
   (j) a statement to the effect that the Procuring Entity may reject any or all Bids;
   (k) a provision for holding a Pre-Bid meeting with potential Bidders, where appropriate, in order to provide clarifications about the conditions of the Bid Documents;
   (l) an indication in the Bid Data Sheet (BDS) as to whom a bidder shall address a complaint; and
   (m) a provision to the effect that a bidder shall be permitted to modify, substitute or withdraw its Bid at any time prior to the deadline for the submission of Bids.

Bidding Documents shall set out clearly –

- the description of the Goods to be supplied;
- the location of delivery or installation;
- the schedule for delivery and completion;
- the minimum performance requirements;
- the warranty, defects liability and maintenance requirement;
- the Bid currency(ies)and the applicable date of exchange rate;
- the amount(s) and currency(ies) of Bid security and performance security;
- the terms and methods of payment of the Contract price;
- the minimum insurance coverage; and
- any other relevant terms and conditions.

1. Bidding Documents, where appropriate, shall define the tests, standards and methods that shall be used to judge the compliance of the Goods or equipment to be delivered with technical specifications.
2. Technical specifications shall be prepared in a non-restrictive manner so that a fair and open competition is possible and shall be consistent with drawings included in the bid documents.
3. The Procuring Entity may seek the assistance of external specialists for preparing the Bid Document.
4. The Documents forming the Contract shall be interpreted in the following order of precedence in case of contradictions between the various documents:
   (a) The signed Contract Agreement;
   (b) The Notification of Award;
   (c) The Bid and the appendices to the Bid;
   (d) Special Conditions of Contract;
   (e) General Conditions of Contract;
   (f) Technical specifications;
   (g) General specifications;
   (h) Drawings, if any;
   (i) Priced Schedule of Requirements or ;
   (j) Other Documents as listed in the Schedule to the Bid including correspondence with the bidder.
5. If Bids for Goods will be invited on lot-by-lot basis, each lot offered shall constitute a Bid and the Bid Data Sheet (BDS) shall clearly indicate that each Lot Bid not comprising at least eighty percent (80%) of the total number of items required under the Lot, and representing at least 65% of the estimated lot value, shall be considered non-responsive.
6. On the other hand, if any item in a lot-Bid represents more than 50% of the estimated lot value, then the BDS shall specify that a lot-Bid not including the particular item shall be considered non-responsive, even if it includes the minimum percentage of the total number of items specified in the BDS.
7. If Bids for Goods will be invited for one or more items on item-by-item basis, each item shall comprise the minimum quantity required under that item as specified in the Bidding documents, and the Bid Submission Sheet shall be modified by inserting a table to allow for including the individual items in the sheet.[6]

[6] The Municipal Development and Lending Fund (MDLF) - http://www.mdlf.org.ps/Files/Docs/Procurement%20Manual%20-%20April%202018.pdf

4. National Support

GENERAL LANDSCAPE

The 4 potential partners are categorized as Key Players as they have high power and high willingness to support the project:

1) **SWS** → Desired shareholder in the SPV
- Waste concession owner in the West Bank – 1200 TPD.
- AWECT's main partner in Palestine
- Main shareholder on Jenin landfill
- Experienced partner has been involved in many projects in the area.

2) **PADICO** → Possible investor as shareholder in the SPV
- Large Private Fund
- Offices in the region (Jordan and West Bank)
- Owner (minority) Jenin landfill

3) **MASSADER** → PIF's subsidiary potential shareholder in the SPV (lower probability)
- Tremendous political influence
- Linked to Ministry of National Economy

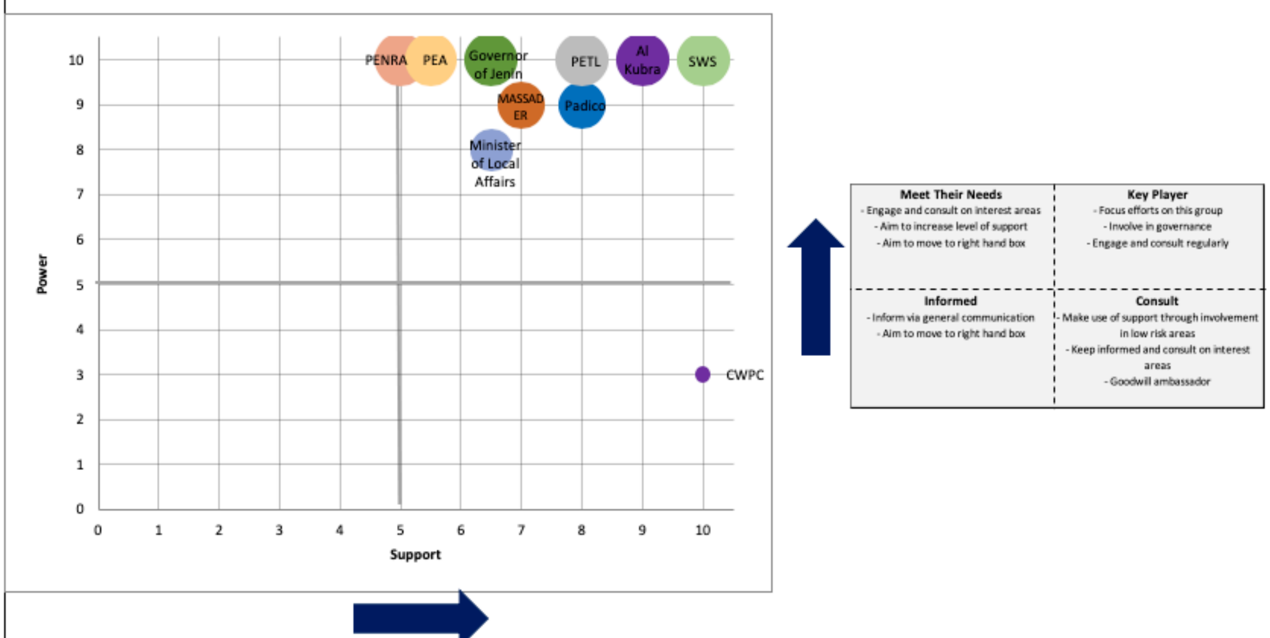
4) **Al Kubra** → Consortium which has the Waste Concession
- Comprised of SWS, PADICO and Palestine Authorities.
- SWS is the main shareholder and is willing to roll out the project

CWPC is very interested to be the EPC partner although it doesn't have much influence in the region.

CWPC → Chinese projected company to manage the EPC in the project.
- It has extensive experience in new energy and environmental protection industry. It designs and manufactures clean power plants, R&D and application of new material, system solutions and BOT.
- Company listed on Shenzhen Stock Exchange.

Local Public Authorities: In general, they support the project. Executives' roles Minister of Local Affair the Governor are keen on fixing region's issues and create jobs.
Institutions such as PENRA and PEA are interested as long as the project shows financial and technological benefits.
PETL has capacity and is willing to evacuated extra base-load energy.

STAKEHOLDERS MAP



5.