Helpdesk Research Report: NGOs in the Palestinian Territories
Date: 20.08.2010

Queries: 1. Please provide an overview of Palestinian NGOs in the West Bank and Gaza, with particular attention to those active in the field of community and social development.

2. Please assess the actual and potential contribution of NGOs to rural and private sector development and in strengthening Palestinian civil society. What work has been undertaken to evaluate the impact and effectiveness of Palestinian NGOs (particularly those involved in community and social development) and what lessons are of relevance to AusAID's evaluation of its own NGO programs in the Palestinian Territories?

Enquirer: AusAID, Iraq and Middle East Section

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1. Overview

The first part of this report (sections 2 and 3) provides an overview of Palestinian NGOs (PNGOs) in the West Bank and Gaza. It reviews some of the key pieces of research into the sector and provides some brief profiles of the most prominent organisations in the sector. The second part of the report reviews the literature on the impact and effectiveness of PNGOs. Section 4 presents some studies that examine or touch upon PNGOs’ contribution to rural and private sector development. Section 5 examines NGOs’ contribution to the broader issues of governance and peacebuilding. Section 6 reviews available evaluations of PNGOs.

From the small number of evaluations available, there is evidence to suggest that PNGOs have been effective in providing services and contributing to a variety of social, rural and private-sector development goals. Although smaller, locally-oriented organisations tended to be more effective at reaching the most marginalised groups and were deemed to be more legitimate in the eyes of their constituencies; their impact was often constrained by poor capacity and governance issues. The sector’s impact has been limited by internal competition and coordination issues, which have been partly addressed by the World Bank’s support to umbrella bodies and initiatives such as the NGO Code of Conduct.

The literature is divided about the potential for NGOs to support the broader objectives of improving governance, building peace and strengthening civil society. A large body of research critiques the professionalization and de-politicisation of Palestinian civil society that has accompanied the rise in donor funding since the 1990s. Other studies highlight NGOs’ achievements in improving governance, by supporting the capacity of the Palestinian Authority (PA) or helping to ensure free and fair elections.
Although there are signs that civil society has been 're-politicised' in recent months, the impact and long-term viability of mass protest initiatives is uncertain.

Overview of the Sector

Civil society and NGOs have historically played an important role in Palestinian society (IOB 1999, Hilal 2009, World Bank 2010). According to a recent study, around 2,100 NGOs are registered in the West Bank and Gaza, and about 1,500 of these are active (World Bank 2010, 2). Palestinian civil society is made up of charitable organisations, service-provision associations, ‘development’ organisations, human rights and democracy organisations, research organisations, lobbying and advocacy organisations, cultural organisations and sports clubs and associations (MAS 2007, Hilal 2009). These various different components are not well coordinated, and often compete internally for social recognition and resources (Birzeit University 2005). Palestinian civil society is highly dependent upon foreign funding. External aid to PNGOs was estimated at $258 million in 2008 (roughly 8% of total external aid) (World Bank 2010, 2). This percentage has dropped slightly since 2005 when aid to NGOs made up about 19% of total aid.

PNGOs’ relationship with the PA has been changeable. The relative proportion of donor funding channelled through NGOs and the PA fluctuated throughout the 1990s and 2000s. As funding to NGOs rose, the PA tended to view the sector as a greater threat, prompting friction (Hamami 2000). The relationship between NGOs and the PA became more co-operative since the second intifada, although the space for dialogue and dissent from NGOs has diminished since the 2007 split in the PA.

There are growing divisions between the modern and traditional elements of civil society (Songco et al 2006). Organisations affiliated with Hamas are relatively few in number but tend to be more active, while organisations affiliated with Fatah are more numerous but less active (Centre for the Study of the Presidency 2008). Organisations based in urban areas such as Ramallah and Jerusalem tend to have greater capacity but are more distant from the communities they serve, while organisations located in rural areas have closer community ties but are institutionally weaker (Centre for the Study of the Presidency 2008). Roy (2000) has argued that the services provided by Islamic organisations tend to be of high quality and are well-supported by their constituencies.

The rise in foreign aid for NGOs since the 1990s has had a significant impact on the character and orientation of the sector. NGOs have become more pre-occupied with funding (MAS 2007) and have become increasingly distant both from the communities they purport to serve and political parties (Hamami 2000, Shafi 2004, Hanafi and Tabar, 2005, Challand 2009). Donor efforts to support civil society have de-politicised and divided the sector (Jad 2007). Some authors argue that rather than de-politicising the sector, donor aid has generated a new ‘globalised elite’, which is politically oriented towards western donors and European forms of social organisation (Hanafi and Tabar 2005; Challand 2009, 2010).

There is a general consensus in the literature that increased aid to PNGOs has had a number of negative effects including increased internal competition, reduced accountability to communities and an inability to articulate a common strategic vision (Songco et al 2006). The un-coordinated and short-term nature of donor engagement with NGOs has undermined its effectiveness (MAS 2007, CIDSE 2008).

Contribution to Rural and Private Sector Development

NGOs’ most well-documented work in the field of private sector development has been through donor-funded micro-finance initiatives. These reports find that NGOs can play an effective role in rural and private sector development, but they are often limited by poor governance and low organisational capacity (IOB 1999, USAID 2006).

A review of Dutch aid in the 1990s suggested that the effectiveness of several of these initiatives was undermined by poor NGO capacity, although there was some anecdotal evidence that they contributed to increases in income levels (IOB 1999). The same report finds that rural development project implemented by Palestinian Agricultural Relief Committees (PARC – a PNGO), were successful in both economic and
political terms (IOB 1999). A 2006 report on USAID support for two PNGOs highlighted the poor governance of these organisations and argued that the NGO organisational model makes their micro-finance programmes unsuited to expansion (USAID 2006).

**Contribution to Governance and Peacebuilding**

There is less agreement in the literature about civil society’s contribution to governance and peacebuilding in the Palestinian Territories. Some authors maintain that civil society organisations have had a number of negative impacts on conflict in Palestine – contributing to the victory of Hamas in 2006 and entrenching societal divisions (Challand 2009, 2010). Others argue that civil society organisations remain highly politicised (Abusrour 2009) or were becoming increasingly politicised (Birzeit University 2005). Recent reports suggest that the erosion of democracy in the Palestinian Territories ushered in by Prime Minister Fayyad is leading to a decaying of civil society. Some organisations, such as Islamist NGOs in the West Bank or non-Islamist ones in Gaza, are being actively suppressed (Brown 2010).

On the other hand, several authors present evidence that NGOs have made a positive contribution to governance in the Palestinian Territories, for example, by helping to ensure elections are free and fair or by boosting the capacity of the PA (Abusrour 2009). There are signs that Palestinian civil society is becoming better coordinated. A number of recent initiatives have helped to link NGOs from the West Bank, Gaza and the diaspora (Hilal 2009). There is strong popular support for civil society playing a more prominent role in politics (UNDP 2010). Public confidence in civil society varies depending on the type of organisation and on the region. There is greater public confidence in traditional organisations than in NGOs. Confidence tends to be higher in Gaza than the West Bank (Birzeit University 2005).

A recent ICG report notes a re-politicisation of Palestinian civil society after a period of quiescence (ICG 2010). Activists in the West Bank have become more vocal, staging largely non-violent protests against the Separation Wall and settlements (ICG 2010). The PA has increasingly tried to link up with these grassroots organisations and attempted to co-opt them. Although these demonstrations have had some small-scale successes, there is uncertainty about how far a ‘mass movement’ or ‘non-violent protest’ approach can go within the main political parties and within civil society itself.

**Impact and Effectiveness**

The literature on the Palestinian NGO sector mirrors the characteristics of the general literature on NGOs, which tends to emphasise positive results and focus on project or programme outputs – ignoring critical outcomes and the wider impacts of NGOs’ work (Challand 2010). Given the large amount of funding committed by donors to PNGOs in the Palestinian Territories, a relatively small number of evaluation studies are publically available. The most notable exception to this is the World Bank, which has made available a number of evaluation reports of its PNGO Project.

The impact and effectiveness of NGOs in developing Gaza and the West Bank has been limited by external factors. The most significant factors in determining development outcomes have been military attacks and restrictions imposed by Israel. This has been demonstrated most dramatically in Gaza over the last two years, where Gaza experienced falling growth in an environment when GDP grew at 6.8% for the Palestinian Territories as a whole (World Bank, 2010, 1). As the same World Bank report argued: ‘Pending a political resolution to the conflict, aid should be recognised for what it is – more of a stabilizing measure, slowing down socio-economic decline, than a catalyst for sustainable economic development’ (World Bank 2010, 2). The second phase of the large-scale World Bank PNGO programme was successful, but the poverty rate still rose from 30% to 48% between 2000 and 2004 as a result of the second intifada (World Bank 2007).

A World Bank evaluation states that the PNGO programme has improved NGO governance by generating the ‘NGO Code of Conduct’, by building the capacity of umbrella bodies and improving coordination with the PA (World Bank 2010). The development projects implemented by PNGOs under the second phase of the PNGO programme were satisfactorily delivered – with 70% of projects meeting stated objectives and 75% of beneficiaries reporting a positive impact of the projects on their lives (World Bank 2007).
Although these projects were successful, they did not always target the poorest or most marginalised. This failure to reach the poorest is highlighted in a number of evaluations of NGOs’ work reviewed in this report (IOB 1999, Birzeit University 2005, USAID 2006, GSDRC 2010, World Bank 2007, 2010)

Key donor recommendations

The documents reviewed in this report generate a number of key recommendations for how donors can increase the effectiveness and impact of the Palestinian NGO sector:

- Focus increasing the coverage of services, developing occupational skills and income generating activities. There is some evidence that these are the priorities of the poor (World Bank 2007).
- Support NGOs and civil society to get more involved in drawing up a development plan in Gaza: their involvement will make the process more reflective of the needs of communities (CIDSE 2009).
- Traditional practices should be strengthened as a means of boosting social engagement (UNDP 2010).
- Support networks and umbrella bodies to improve coordination and strengthen accountability (Songco et al 2006, MAS 2007).
- Increase support to CBOS to encourage greater local participation in decision-making (Songco et al 2006).
- Document and disseminate best practice to boost the sustainability of NGOs’ work (Songco et al 2006).
- Identify and strengthen effective, transparent, community-based NGOs focused on service delivery (Centre for the Study of the Presidency 2008).
- NGO governance and coordination has been improved but NGOs still need to improve coordination between themselves and their cooperation with the PA (World Bank 2010).
- Encourage PNGOs to continually engage with beneficiaries in needs assessments, analysis and M&E to ensure the poorest communities are targeted (World Bank 2007, 2010; Latif and Besaiso 2009).
- Support for PNGOs should be based on a thorough needs assessment of the entire service delivery system (World Bank 2007).
- Adopt a more systematic approach to P NGO funding – placing less emphasis on ad hoc project financing and more on sub-sectoral programmes (World Bank 2007).
- Be very selective when selecting NGOs – avoiding organisations that serve parochial agendas (ESCWA 2006).

2. Key Organisations

Palestinian NGO Network (PNGO)
http://www.pngo.net/
The PNGO Network was established in September 1993, as a quick response to the signing of the Oslo Agreements with an objective to enhance coordination, consultation, and cooperation between member organizations working in different developmental domains.

PNGO promotes coordination, cooperation and consultation not only among Palestinian NGOs but also between the Palestinian NGO sector and the different bodies of the Palestinian National Authority. PNGO holds regular meetings with member organizations, organizes meetings with a range of international actors and holds coordination meetings with Palestinian governmental bodies. It works to build the capacity of PNGOs.

NGO Development Centre (NDC)
http://www.ndc.ps/
The NDC was established by the World Bank, as a mechanism for coordinating its PNGO Project, which invested more than $50 million into the Palestinian NGO sector. It was officially registered as a
Palestinian NGO in 2006. It works to build the capacity of the NGO sector in Palestine, to disseminate information on the sector and to improve its coordination. It coordinates a number of donor funded projects including the Human Rights and Good Governance Secretariat, the World Bank PNGO Project, and the Job Creation Project in the West Bank and Gaza Strip.

**Palestinian Agricultural Relief Committees**  
[www.pal-arc.org](http://www.pal-arc.org)  
PARC is a leading organisation working in the fields of rural development, environmental protection and women’s empowerment. It provides technical assistance and extension services to individuals and organisations working in these fields.

PARC is currently focused on restoring and rebuilding the agricultural sector in the Gaza strip and leading other civil society organisations in Gaza in reconstruction and development, while attempting to create an environment suited to internal reconciliation.

**Ma’an Development Center**  
Founded in 1989, the Ma’an Development Center is a community development and capacity building organization. It works with grassroots committees and groups in the most marginalised areas, working to implement development projects and to build the capacity of these CBOs.

**Palestinian Welfare Association**  
The Palestinian Welfare Association was founded in Geneva in 1983 to support Palestinian society in sustainable development. It is also known by its Arabic name ‘Ta’awoun’. WA works in various fields including health, education, economic development, agriculture, culture, policy and advocacy. WA beneficiaries are the more than 4 million Palestinians who are served by Palestinian non-governmental organizations, community institutions and charitable organizations in the West Bank, Gaza Strip and other parts of the Middle East. It is one of the main recipients of support from AFD, the French Development Agency.

### 3. General literature on the Palestinian NGO sector

**Mapping exercises**

**MAS (Palestine Economic Policy Research Unit), 2007, ‘Mapping Palestinian Non-Governmental Organizations in the West Bank and the Gaza Strip’**  

This study provides background information on the NGO sector in the Palestinian Territories. It provides details of their numbers, geographical distribution, sectoral allocation and financing. It finds that 1,495 NGOs were working in the West Bank and Gaza Strip in early 2007 – a 61.5% increase on the number in 2000. 68.5% of these were based in the West Bank (with 31.5% operating in the Gaza Strip). 30.3% of these organisations worked in rural areas. The beneficiaries of PNGOs’ work increased from about 4.5 million in 2000 to 11 million in 2007. The percentage of PNGOs receiving external funding increased from 38.9% in 2000 to 46.8% in 2007: total income of PNGOs increased from $112.7 million in 1999 to $223.6 million in 2006.

Modern PNGOs expanded rapidly during the 1980s, especially during the years of the first intifada. These organisations were led by younger and more professional leaders and came to dominate the sector. After 1994, NGOs began to compete with the PA for funds, although some NGOs were able to forge co-operative relationships with the PA. During the second intifada (2000-5), PNGOs had to adapt
to the new repressive conditions imposed by Israel, whilst at the same time having to cope with the upsurge in humanitarian and developmental demands placed on the sector.

The report generates a number of additional findings:

- **Fundraising is the main preoccupation of most NGOs.**
- **Donors and the Israeli occupation are the main sources of restrictions for PNGOs.** A majority (58.6%, compared to 43.5% in 2000) considered donors to be their main source of restrictions. Some directors of NGOs complained openly of donors treating NGOs receiving funds as “employees for the implementation of donors’ demands”.
- **There has been a decline of the number of NGOs active in East Jerusalem:** The decline in funding to PNGOs in East Jerusalem (especially foreign funding) reflects the process of judaization of the city and the building of the Separation Wall around it, which has increased its isolation from the rest of the West Bank.


This report presents the findings of The NGO Mapping Project, a component of a USAID-funded initiative *Advancing Trust and Reconciliation among Palestinians and Israelis*. The project sought to identify moderate community-based PNGOs capable of providing services in areas where the PA had limited reach and where Hamas was providing charitable services.

Palestinian civil society is the most vibrant in the Arab world. This is largely because of its role in assisting the population in the absence of a functioning government and the influx of donor funding in the 1990s. Many of the approximately 1,200 NGOs that exist in the West Bank are inactive. Hamas-affiliated organisations represent a small proportion of the total number but tend to be fairly active. There are more Fatah-affiliated organisations but they are less active. Past donor efforts to support PNGOs have tended to support organisations based in Ramallah and have cultivated a ‘vibrant but isolated elite civil society with limited connections to the grassroots and the broader population’ (p.4).

There is great diversity in the range and scope of activities run by community-based NGOs. These organisations tend to be institutionally weaker than Ramallah-based NGOs which specialise in the promotion of democracy, human rights and civic participations. Nevertheless, these organisations are ‘helping to develop the social conditions required for democratic values and practices to survive in Palestinian society’. The paper argues that ‘ensuring a moderate, democratic future for Palestinians requires that community-based NGOs be able to flourish’ (p.4).

Based on fieldwork conducted in 2007 and 2008, the study identified a sample of smaller moderate NGOs working in the West Bank, which had deep connections with their constituencies and which had good reputations for accountability and transparency in their communities. Its aim was to identify new potential partner organisations for donors and to present a model of the types of moderate, community-based NGOs requiring additional support. The study sought to identify organisations based in the North and South West Bank, deliberately focusing away from the areas around Ramallah and Jerusalem, where donors have traditionally concentrated their efforts. The study identified a number of key patterns relating to the activities, strengths and weaknesses of moderate community-based NGOs:

- NGOs focused on social service activities are also effective promoters of democracy and civic participation.
- The newest NGOs are most in need of capacity building and have the least access to international donors. Yet these NGOs are often the most active and respected in their communities and have the greatest desire to deliver services to their constituencies.
- The majority of NGO employees work for smaller organisations. Volunteer-based NGOs are often the organizations with the largest constituencies. However, these volunteer-based NGOs also
struggle to access international funding as result of limited professional staff capacity to design projects and develop proposals.

- Vocational training is a priority for NGOs in multiple sectors since such activities are viewed as central to improving economic conditions and the quality of life.

The study makes a number of specific recommendations for donors:

- Identify and strengthen effective, transparent, community-based NGOs focused on service delivery.
- Develop small-grants funding mechanisms aimed at dozens of NGOs that are active in their local communities and relied upon by citizens.
- Recognise that the most effective organizations often require capacity-building, including at the level of identifying potential projects and drafting proposals. Designate money for recently founded NGOs and include capacity-building efforts in their awards.
- Advance sustainable projects and institutions by including infrastructure support in projects implemented by NGOs lacking permanent facilities.
- Cultivate local and regional networks among NGOs by incentivizing collaborative initiatives, including projects dedicated exclusively to the development and enrichment of such networks.
- Facilitate coordination between the non-governmental sector, local government, and the PA.

Donor reports


This report aims to support a strategy for the Palestinian NGO (PNGO) Project by the World Bank, in preparation for its third phase. It focuses particularly on NGOs that ‘go beyond the provision of direct relief, seeking instead to develop society’s internal ability to create an alternative, parallel system to the Israeli occupation - one capable of resisting it’ (p.6). It seeks to identify weaknesses in the Palestinian NGO sector. It draws on interviews and focus group discussions with NGO representatives.

The report finds that increased aid to PNGOs has had a number of negative effects on the sector. These include:

- Increased competition among NGOs.
- Reduced accountability and transparency.
- Greater inefficiency (as they increasingly replicate government service provision).
- Reduced NGOs’ capacity to articulate a strategic vision.
- Poor leadership (and particularly a failure to prepare for succession).
- Lack of sustainability.
- Tendency for NGOs to become disconnected from communities.
- Tendency to become too political (engaging in electoral politics).

The PA does not provide good leadership on development issues. Since donors provide a large proportion of funds for development, there is a perception that they drive the development agenda. The provision of basic services is poor, and shortfalls in coverage have been exacerbated by deterioration in the national economy. In recent years, PNGOs have been forced to adapt their roles due to abrupt changes in the operating environment and have shifted between supporting the Palestinian state and providing emergency relief when donor support for the state has been withdrawn. The dual expectation from the Palestinian people that PNGOs should both support the government in providing services and resist the occupation is a source of tension in the sector.

During the two intifadas, NGOs became the main channel of resources from donor countries and neighbouring Arab countries to support the population affected by conflict. Contemporary Palestinian civil
society can be categorised into two groups – traditional social institutions (which includes tribes and religious groups) and modern institutions (which includes women’s associations and NGOs).

Despite these difficulties, NGOs are still expected by various stakeholders (including donors, government and communities) to perform a wide array of responsibilities. As well as delivering services, they are expected to assert sovereignty and nationhood. The report presents findings on the expectations placed on NGOs by a number of stakeholders.

PNGOs are expected to:

- ‘Assert and advance’ national sovereignty.
- When delivering basic services, participate in the formulation of a national agenda for development and ensure the equitable allocation of resources.
- Strengthen civil society by performing a watchdog role and to advocate for the formulation of laws and regulations designed to protect human rights and democracy.
- Play a leading role in promoting dialogue and interaction to preserve the social fabric of Palestinian society.
- Champion people empowerment

The report outlines a number of key objectives and details a number of steps by which these objectives can be achieved:

**Objective One: Improve the effectiveness and efficiency of PNGOs:**
- Drawing up a national development agenda and sectoral plans in the delivery of services.
- Strengthening networks/coordinating bodies and creating partnerships in service delivery, institutional capacity building in service delivery.
- Promoting standards and benchmarks in delivery of basic services and instituting flexible and responsive planning and implementation mechanisms.
- Incorporating development perspectives in delivery of services.

**Objective 2: Improve Governance Practices of NGOs**
- Strengthening the transparency and accountability of NGOs towards their constituencies,
- Promoting strategic thinking and competence among NGOs,
- Instituting participatory planning and management modes of operation
- Improving the legal and regulatory enabling environment for NGOs.

**Objective 3: Strengthen civil society and democracy**
- Creating multistakeholder discussions on the key issues of national import.
- Advocacy for good governance and corporate social responsibility (CSR) towards the private sector.
- Advocacy to influence public policy and governance.
- Promoting and creating models and platforms for non-violent conflict resolution and social/cultural/ideological interactions.
- Promoting international solidarity and advocating regional and international support to Palestinian national rights and aspirations.

**Objective 4: Promote community empowerment and increase people’s participation in local development**
- Creating community awareness on national issues and their dynamics with local issues and concerns.
- Develop/strengthen local NGO/sectoral/CBO cooperation, creating dynamic links between national NGO/sectoral structures and local counterpart structures.
- Promoting an enabling environment to encourage people to participate in local decision-making processes.

**Objective 5: Promote sustainability of NGO development work**
- Documentation of global and local best practices in initiatives for financial sustainability of NGOs.
- Promoting the adoption of best practice in financial sustainability among NGOs.
- Promoting effective strategic planning and management and financial planning and resource generation at NGO level to increase effectiveness and sustainability.
- Promoting the active sharing of information and databases to maximize use of resources.
- Encouraging the business sector and diaspora to establish local social development fund.


This forum reviewed the EU’s aid programme to the Palestinian Territories. The discussion touched on the role of civil society and NGOs. One criticism was that the PA had not engaged at a strategic level with Palestinian civil society. This meant that development plans were misdirected and did not reflect the actual needs of local communities. A representative from Palestinian civil society argued that shifting approaches to delivering aid via NGOs had undermined the effectiveness of the sector. This had made it difficult for NGOs to plan for the long term. Civil society had become ‘unable to plan according to their needs, rather than to plan according to their agenda of the donors’ (p.68).


This policy brief, compiled by the CIDSE Working Group on Palestine/Israel, examines the EU’s response to the Gaza crisis. It argues that the Palestinian private sector and civil society should have a prominent role in the reconstruction of Gaza ‘if local ownership through active participation in assessing needs, development of reconstruction plans and implementation of reconstruction projects is to be achieved’ (p.7). It noted that NGOs in Gaza have been very critical of the PA’s reconstruction plan and that local NGOs and the Gaza private sector had not been involved in the development of the plan. The report recommends that the EU ‘continue to invest in sustainable development projects and to ensure the active participation of the civil society and private sector in Gaza…Local resources should be used as much as possible. (p.19)

Academic Studies


The article outlines three phases in NGOs’ relationships with the state:

- In the immediate aftermath of the creation of the PNA, the relationship was characterised by uncertainty about the role of NGOs in the emerging political context. The government saw the value of NGOs in service provision but also saw them as competitors.
- The second phase was marked by mutual acceptance. Dialogue between the government and NGOs began. NGOs shifted their focus from service delivery and focused more on gender, democracy and human rights.
- ‘The third phase was characterized by the emerging collaboration between the PLC and the NGO sector related to the drafting and endorsement of the Palestinian NGO law. A professional cooperation between the NGOs and the relevant ministries also took place’.
It argues that the sector has become gradually better coordinated. Networking mechanisms such as the Union of Charitable Societies in the West Bank and the Union of Charities in Gaza and the establishment of the first NGO network – the Palestinian NGO Network (PNGO) – played an important role. Four additional NGO networks were created in the 1990s: three in the Gaza Strip and one in the West Bank. A coalition of NGO bodies in the West Bank was formed, which was made up of PNGO, the Union of Charitable Societies and the League for National Institutions. The World Bank NGO Trust Fund facilitated the first structured consultative mechanism for NGOs, involving both West Bank and Gaza organisations.


This article provides an overview of Islamic organisations operating in Palestine. Islamic institutions comprise between 10 and 40% of all social institutions in the Gaza Strip and West Bank. This figure can be higher in some sectors – 65% of all Gazan educational institutions below secondary level are Islamic. The services provided by Islamic organisations are ‘of high quality’ and generally perceived to be so by local communities. Islamic organisations tend to work in niches where needs would otherwise remain unmet. Their constituencies are usually poor and marginalised. The leaders of Islamic NGOs unanimously claim that their services are available to all. There is an absence of a long-term or strategic plan, which could coordinate the activities of Islamic organisations. Internal divisions within the Islamic NGO sector are not primarily ideological – the most important source of tension is competition for funding. In 1998, USAID decided to reprioritise funding to secular NGOs, after it cut funding in 1994. This reprioritisation was motivated by fear that there would be a Hamas takeover of service provision.


After the first intifada in 1987, civil society organisations (CSOs) emerged as a prominent instrument for political mobilisation. The organisations that emerged at this time were closely affiliated with political parties. After the signing of the Oslo Accords there was a de-politicisation of civil society, but these CSOs provided the new elite with access to the international arena. Another strand of civil society also emerged during the first intifada – Hamas has relied heavily on a network of Islamist CSOs since its inception. Donors have largely ignored NGOs’ own governance issues – they have primarily focused on ensuring financial accountability. To be effective in their call for democracy, Palestinian civil society needs to abide by democratic principles within their own organisations.


This article describes the process of professionalisation that has affected the NGO sector in the Palestinian Territories since the signing of the Oslo Accords in 1993. After this time, NGOs became increasingly dissociated both from political parties and from the grassroots constituencies they claimed to represent. These shifts were rooted both in the militarisation of the intifada, and the decline of the left factions in the PLO. The PA became increasingly authoritarian in its stance towards the NGO sector. Friction between NGOs and the PA increased after 1995 when the World Bank established a $15 million trust fund for NGOs (as part of the PNGO programme). After this time, NGOs began to pose a threat to the PA’s financial hegemony in the Palestinian Territories. The PA developed a strategy to silence, co-opt and marginalise the threat posed by NGOs. It created ‘government NGO networks’ to compete with the PNGO and targeted some human rights organisations it considered to pose a threat. After the UN provided approximately $20 million to Palestinian human rights organisations in 1999, the PA government embarked on a media assault on NGOs, designed to undermine the legitimacy of the sector. By the late
1990s, NGOs were able to initiate a number of experiments with fostering social movements to generate political alternatives to the PA. These included the creation of a farmers’ union by the Palestinian Agricultural Relief Committees (PARC) and the creation of an elected general assembly by the Union of Palestinian Medical Relief Committees (UMPC). Beisan and other community development organizations attempted to create links with grassroots groups by working with community-based charitable societies, youth groups and refugee committees.


This article argues that the rise of NGOs in Palestine has demobilised Palestinian civil society. Processes of professionalisation and projectisation which have accompanied donor efforts to promote ‘civil society’ have led to a de-politicisation of the women’s movement, creating a vacuum which has been increasingly filled by Hamas. The article argues that rather than taking the democratising impact of NGOs for granted, donors should adopt a more critical approach, which takes greater account of the specific contexts and dynamics of institutionalisation.


This book provides a comprehensive overview of civil society in Palestine. The author’s main argument is that both the discursive performances of NGOs and the demands of NGOs exclude Palestinians from participatory processes and exacerbate the lack of autonomy forced on Palestinians by Israeli occupation. Challand focuses on health-provision and advocacy NGOs. He criticizes donors’ focus on projects aimed at supporting the ‘peace process’, arguing instead that more focus should be placed on meeting local needs and demands. He argues that the professionalization of NGO leadership has not been depoliticizing, but rather has created a distinct kind of homogenous politics. This has created a ‘globalised elite’, which is more responsive to international donors than to Palestinian constituencies and a Eurocentric hierarchy that privileges certain familiar NGO organizational structures over more indigenous civil society forms.


This book argues that as PNGOs enter relations with the international aid industry they are transformed. The restructuring of knowledge and practice of development involved in this engagement, results in the formation of a new elite that draws on international sources of legitimacy. The book examines this process by focusing on the experience of NGOs in three sectors: women, human rights and heath.

4. NGOs’ contribution to rural and private sector development


This evaluation reviews Dutch development assistance to the Palestinian territories between 1994 and 1999. The programme operated in a number of fields including private sector development, social service provision, governance and transport. Although the majority of assistance was channeled through the PA, NGOs played an important role and the report draws some useful conclusions about the role of PNGOs in private sector development and service provision. Relevant findings include:
6 out of the 8 private sector development projects initiated by the Dutch between 1994 and 1998 were effective. The two that were not failed partly because of problems of NGO capacity: failure was partly due to ‘unrealistic project objectives, but the NGO was also over-stretched and unable to cope with the heavy workload entailed by the running of a credit scheme’ (p. 58).

There were delays in credit and micro-enterprise schemes implemented by PNGOs. This was due to ‘lack of management skills at the NGOs involved. Project managers of schemes operated in a rather secluded fashion, and no functioning network was found for referring client-borrowers who qualified for larger loans from other schemes’ (p. 58).

There were also question marks about the sustainability of credit schemes run by PNGOs, which were related to the poor institutional capacity of the NGOs that ran the schemes.

Small credit schemes resulted in better living conditions for beneficiaries and their families. ‘The small credit schemes have made a positive contribution towards improving the position of women, towards alleviating poverty and to creating an atmosphere of normalcy. The export promotion and competitiveness projects have aimed at strengthening the economic rather than the social base of Palestinian society. Their benefits can be expected to materialise over a longer-term period as the business environment improves’ (p. 60).

Agricultural projects carried out by Palestinian Agricultural Relief Committees (PARC – a PNGO) succeeded in their objectives of creating employment, providing extension services and building rural infrastructure. The report found that the organisation had a good implementation record and had developed a ‘formal and functional relationship with the Ministry of Agriculture’ (p. 66).

The frequent closure of Israeli borders has increased interest in agriculture as an additional source of income and employment. Effective land use can also serve as an important instrument against the confiscation of land by the Israelis – agricultural projects therefore have both an economic and a political goal.

PARC was involved in a large number of land reclamation projects. The financial viability of these projects is difficult to measure although the report suggests that they were not altogether successful in these terms – fruit trees take between and ten years to become profitable and fruit tree cultivation was not labour intensive and therefore did not create many jobs. They were more clearly successful in political terms (i.e. as an effective tool against confiscation). PARC projects did not necessarily target the poorest.

Other than in the field of education, the coordination of aid activities was minimal. ‘Contacts and information flows between NGOs and the PA are not optimal, although they have recently improved in the agricultural sector….The strong donor-supported NGOs sometimes overshadow the formal institutions and delay the institutional strengthening of the latter. Lack of coordination among donors, the absence of established relations between NGOs and some ministries, and incomplete reporting on aid activities, also undermine the central coordinating role that the Ministry of Planning and International Cooperation is supposed to play. On the other hand, NGOs fear that the PA will have the right to determine which NGO may be active’ (p. 92-3).


This evaluation examines the programmes of two non-profit microfinance institutions (MFIs) in Palestine. Although most of its content focuses on technical details, it includes some useful reflections on private sector development and the role of NGOs in this field. Important findings include the following points:

- The second intifada has led to a reduction in lending and between 25 and 30 per cent of all loans were written off during this period.
- The majority of MFIs are registered as NGOs, ‘a structure that is not conducive to expansion. The most characteristic feature among most MFIs….is weakness at the governance level’ (p. 7).
- ‘The market for microfinance is limited in the West Bank and Gaza and most MFIs offer the same product to the same target groups’ (p. 7).
- The microfinance sector is very dependent upon donor grants.
It also includes some relevant findings about FATEN (Palestine Credit and Development) and CHF, two leading PNGOs involved in the field of micro-enterprise:

- ‘While FATEN and CHF are remarkably similar in terms of basic indicators (such as number of active clients, loan portfolio outstanding and operational self-sufficiency), they differ in core structure. Whereas CHF is an advanced lending program, FATEN is a mature microfinance institution’.
- ‘FATEN is the strongest of all MFIs operating in Palestine to date. FATENs key strengths include a very positive reputation in the community for serving women, a well-established experience in group lending methodology targeting the poorer segment of women entrepreneurs, a comprehensive individual credit methodology, an effective MIS, and very strong and systemized internal control procedures’.
- ‘The Access to Credit Program (ACP) of CHF is an experienced and strong program in the area of house rehabilitation loans serving household living below or just above the poverty line. It has a unique loan product that is accompanied by engineering advice for the client concerning the construction work to be financed. ACP has a strong market position in this area and a well managed system for loan application, disbursement and follow up’.
- ‘USAID has made two excellent investments in CHF and FATEN and by doing so has contributed to the development of a best practice microfinance environment in the West Bank and Gaza. USAID is advised to push the best practice agenda, and to implement a novel program, creating incentives for the two organizations to become – over time – independent of USAID funding, through the implementation of the guarantee facility for local bank finance for on-lending described under the normal case new activity design’ (p.10-11).

Khaled, M., K. Lauer and X. Reille, 2006, ‘Meeting the Demand for Microfinance in the West Bank and Gaza’, CGAP report. [http://www.cgap.org/gm/document-1.9.2955/MF_in_WestBankGaza.pdf] This report argues that the current situation in Palestine (in 2006) is not conducive to microfinance initiatives becoming sustainable. It makes a number of recommendations of how microfinance initiatives can be made more effective. These include:

- Capacity building for micro-finance institutions.
- Strengthening of the regulatory framework for financial institutions providing micro-finance services.
- The development of a government policy towards poor Palestinians who are not yet ready to be consumers of conventional micro-finance services.
- Better analysis of unmet demand for financial services among the Palestinian poor and microenterprises.

5. NGOs’ contribution to improved governance and peacebuilding


This paper examines the EU’s approach to transforming the Israeli-Palestine conflict, focusing on the role of civil society in achieving this goal. It analyses the effectiveness of Israeli and Palestinian civil societies in this regard and finds that their impact has been limited. It also assesses the EU’s impact on the conflict. It draws a number of useful conclusions:

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1 [http://lacarossa.com/]
2 [http://www.chf-pal.org/#]
The EU has started to support civil society in the field of conflict transformation only fairly recently (the two main programmes were initiated in 2000 and 2005).

The professionalization of aid and the NGO sector contributed to the victory of the Islamist camp in 2005. ‘By entirely neglecting local party, grassroots and union platforms and committees, donors contributed to a de-democratization of civil society in the West Bank and Gaza instead of increasing the capacity of civil society for democratization’ (p.5).

Most PNGOs involved in advocacy were formed in or after the Oslo Accords were signed in the early 1990s.

Challand reviews several studies that have suggested that civil society organisations working on peace issues can have a negative impact on conflict by entrenching divisions and calling for violent solutions. Other studies mentioned in this report argue that peacebuilding activities depoliticize the conflict by ignoring fundamental political issues. Peacebuilding activities may also serve other ends – such as providing elites with new avenues for societal control.

Most evaluations made by CSOs tend to neglect the issue of effectiveness. They tend to present a very rosy picture of their own organisation’s activities and their wider impact.

This paper notes a number of studies that have found that PNGOs are unable to effectively mobilize large constituencies and are undemocratic. ‘The politicization of aid and the professionalization of civil society has led to a sort of heteronomy of local Palestinian civil society, incapable anymore of steering profoundly their course of action and choosing the vocabulary in their work’ (p. 26).

PNGOs are not well-connected to wider civil society.

The EU’s engagement with civil society for conflict transformation is inconsistent. The EU has not shown a clear policy or preferred strategy in terms of conflict transformation. The EU funds some innovative projects but not in a consistent fashion.


This paper calls on Palestinian civil society to play a larger role in promoting democracy and independence. It argues that civil society has both the capacity and the power to ‘affect governance, peace-building, and the forthcoming Palestinian elections through mobilizing the silent majority that evolved after last legislative elections in 2006 and the split between the West Bank and Gaza’. It presents the challenge as twofold: ‘political to establish an independent state and social to create a democratic and functioning society’ (p. 1). It presents a number of important findings about the role of civil society in promoting good governance and peacebuilding:

- Palestinian civil society is highly politicised – most CSOs are affiliated with a political party.
- Civil society tends to shift between consensual and confrontational approaches towards the PA. During periods of ‘integration’, civil society organisations have actively supported the PA in the process of formulating progressive laws, serving as impartial lobbying bodies and avoiding confrontation with the government’ (p. 7). ‘During periods of ratification, civil society tends to challenge the state, making sure that respect for human rights and the autonomous nature of civil society are embedded in those laws’ (p.7).
- The report argues that the ‘recruitment of civil society activists into the government should be seen as an opportunity to maintain and revive the role of civil society in defining the nature of the PA’ (p. 8).
- In order to contribute effectively to conflict transformation civil society should combine its ‘diplomatic missions’ with more widespread communal mobilization, ‘which would communicate popular aspirations for civic peace’ (p. 9).
- Civil society and NGOs should not encroach upon the role of political parties. ‘Political parties focus on political power and winning majorities…whereas civil society relies on laws, regulations and international human rights conventions as well as pushing for progressive policies as a way of supporting the creation of a modern society’ (p. 10).
- In the past, civil society organisations have played an important role in ensuring that elections are free and fair.
Civil society organisations can play an important role in defining the political nature of the Palestinian state.

Civil society should play a supportive role. ‘A strong Palestinian civil society requires a state to function effectively; it cannot implement democratic rules within a weak state or a fragile system. The PA has previously employed the professional skills and knowledge of civil society to develop PA ministries’ (p. 13).

The paper ends with five recommendations:

- Revive the Role of Student Councils to Create Young Leadership.
- Create Bodies That Specialise in the Politics of Influence.
- Create a Comprehensive Socio-political Strategy.
- Create a Civil Entity for Peace-Making and Peace-Building.
- Establish a Civil Society Forum.


This paper reviews the literature on Palestinian civil society. It reflects on the meaning of civil society in the Palestinian context and provides some background to the development of civil society since the 1940s. It assesses civil society organisations’ interaction with the PA and the growth of NGOs in the 1990s. It generates a number of conclusions about the role of civil society in the current context and argues that the literature’s focus on one subset of civil society (NGOs) has meant that broader civil society organisations that have been more able to act as agents of social and political change have been neglected.

It argues that there have recently been a number of new initiatives to network NGOs representing different Palestinian communities (from West Bank, inside the Green Line and in the diaspora). These groups have taken a more active interest in national issues. In recent years there have been more concerted efforts to articulate a unified strategy for PNGOs in various communities.


Section 5.3 (‘Strengthening cohesion through civil society participation’) of this report generates a number of useful conclusions:

- Palestinians believe in civil society participation: ‘Twenty percent of Palestinians surveyed by UNDP in 2009 believe that the public needs to be more involved in politics, while thirty six percent think that current parties need to become more democratic and transparent’ (p. 114).
- The report proposes that increased civil society participation is one of the most promising ways to facilitate freedom from fear, freedom from want, and the freedom to live in dignity. Most importantly, a dynamic civil society is the best means to re-build confidence in state institutions’ (p.115). To promote freedom from fear PNGOs need to work together with political actors.
- It proposes a strategy to revive traditional cultural practices: to strengthen ‘positive and inclusive local practices that protect and promote personal, community, economic, political, food, health, and environmental security in the oPt [Occupied Palestinian Territories] must be strengthened’ (p. 116). One example of this is the practice of sumud or ‘the motivation to persist through steadfastness and a sense of connection with the land in order to achieve self-reliance and navigate a life under occupation’. One important way that sumud can be expressed is through volunteerism. This has been weakened since the 1990s by the professionalization of civil society. ‘Encouraging a renewed drive towards political and social engagement through
volunteerism, dialogue and civic action would be a good way to re-energize these institutions and revitalize *sumud* today, especially as it would give the younger generation opportunities to learn about this important indigenous tradition (p.117).

- Another significant consequence of fragmentation, polarization and delegitimization of the PA is that family and clan relations, not broader social ties or state institutions, have become the most significant site of Palestinian security. This has had the effect, particularly in Gaza, of increasing family/clan violence (p. 118).
- The report argues that ‘strengthening local government over the central authority of the PA might risk more fragmentation’. It states that ‘the best solution is for local government to work closely with civil society and the central authority’ (p. 121).


This chapter examines the role of Palestinian civil society organisations in empowering the Palestinian people. It assesses their performance in establishing a ‘vibrant, viable state’ and their contribution to social and economic development.

- The report highlights the social and political influence of tribes, clans, families, urban and sectarian networks and other traditional institutions. Traditional culture deeply affects the organization of political parties.
- Professional associations have played an important role in Palestinian society in the West Bank and Gaza.
- Since 2004, relations between NGOs and the Ministry of Interior have been improving.
- Traditional institutions (such as tribal councils) have not always been effective at reaching the poorest and most marginalized. These institutions have also been internally divided – which has limited their ability to make a deeper contribution to peacebuilding.
- The various parts of civil society are badly coordinated. This is largely because they compete with each other for social recognition and resources.
- Public confidence in civil society varies according to region. Confidence in NGOs was higher in Gaza (46%) than in the West Bank (31%) and similar trends are reported with regards to public confidence in trades unions (44% vs. 31%) and charitable societies (52% vs. 44%). People in both regions were more confident about the effectiveness of tribal councils (63% in Gaza, 53% in the West Bank).
- Discussion workshops with various civil society representatives suggested that there was a negative perception of institutions with political origins, which were increasing in number.


‘There is very little information available that specifically looks at the role and effectiveness of civil society in the Occupied Palestinian Territories in strengthening accountability. Literature that discusses civil society organisations (CSOs) more generally indicates that there are not many CSOs engaged in issues of accountability and transparency. The few that do exist are very active (for example the member organisations of the Coalition for Accountability and Integrity - AMAN) but their efforts do not necessarily target the poor and marginalised.

The literature suggests that the conflict and political division between the West Bank and Gaza Strip has hindered civil society efforts at strengthening accountability. Firstly, the conflict has impeded the legislative process, thus limiting any intervention or influence that civil society can have in this area. Secondly, although relations between the Palestine National Authority and CSOs generally do fluctuate, the political division has had a detrimental impact on those non-governmental organisations (NGOs) who are considered to have political affiliations.
It is therefore very difficult to assess the capacity of organisations (or of the sector as a whole) in a report of this nature, which relies upon desk-based research and where opportunities for conducting substantial interviews with organisational representatives are limited. Information on key organisations has been included along with details of their activities; information relating to experience, staffing levels, funders and budgets (where available) has also been included to provide an indication of the capacity of individual organisations. It must be noted though that this information was collated from websites and annual reports and therefore any information presented here on activities and projects is not necessarily up-to-date. An assessment of the information available suggests that the key civil society actors in the field of accountability are the Coalition for Accountability and Integrity (AMAN) and the Women's Affairs Technical Committee (WACT) and their constituent members’ (p. 1).


This report assesses the current state of negotiations between Israel and Palestine and assesses the Palestinian strategy. It touches on Palestinian civil society in a number of places. It provides some general comments on the state of civil society and its contribution to the peace process. There is a general sense that Palestinian civil society is undergoing a period of resurgence (p.17). Most politically active Palestinians ‘want to see more systemic change and more robust alternative strategies, as opposed to tactical adjustments to return to negotiations on more advantageous terms. With diplomatic failures ever more evident, activists are mobilising to fill the gap’ (p.17). The PA has begun to link up with grassroots activists. ‘Each ministry and agency has a consultative body that includes members of civil society; meets regularly with, funds, and provides other support to popular committees; has increased activism on women’s issues; and funds more than 100 organisations in Jerusalem’ (p.24). Some activists see the Prime Minister’s support for these activities as ‘window dressing’. Both the activists and the PA are keen to co-opt each other (p.24).

The report discusses the recent re-politicisation of civil society in the West Bank, which is pushing a range of hostile but largely non-violent initiatives directed as Israel (p. i). These have mostly taken the form of non-violent demonstrations against settlements and the Separation Wall. Although these protests have had some limited success in changing the route of the barrier, it is questionable whether they yet constitute a ‘mass movement’ and they face considerable barriers in becoming one (p.26). It argues:

‘After a long period of quiescence, pockets of Palestinian civil society are being repoliticised, as activists have grown disillusioned with party politics and the two dominant political models they represent – peaceful negotiations and armed resistance – which seem to have run their course’ (p.26).

The report argues that there is no single umbrella that unifies the demonstrators – ‘instead various campaigns are linked by the belief that mass, popular action represents a third way’ (p.26). These include popular agricultural and health committees, the BDS (Boycott, Divestment and Sanctions) movement; and human rights groups. ‘So far, the PA has ridden the wave, supporting some and co-opting others’ (p.26). There is no consensus in Fatah, Hamas, or among civil society activists themselves, that this non-violent protest approach is the right path. There are divisions between the three bodies that coordinate demonstrations: the Stop the Wall Campaign (the leftist stream), the National Committee (Fatah) and the Coordinating Committee (Fayyad government) (p.29).

http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=41103

This brief report assesses the state of the PA, focusing particularly on the achievements of Prime Minister Salam Fayyad. It argues that his rule has ushered in a period of growing authoritarianism, which has
contributed to a decaying of civil society. It notes that some NGOs, such as Islamist organisations in the West Bank or non-Islamist ones in Gaza, are being actively suppressed.

6. Impact and Effectiveness of Palestinian NGOs


This report draws lessons from the first three phases of the Palestinian NGO (PNGO) Project, in preparation for a fourth phase. The project has two main aims — first, to improve service provision and second to build the capacity of the NGO sector by improving coordination. The report estimates that external aid to PNGOs was $258 million in 2008, which is roughly 8% of total external aid. This percentage has dropped since 2005 when aid to PNGOs constituted 19% of total aid. It argues that PNGOs have ‘a real opportunity to make a difference in national policies, and...in channelling the voices of the population. However, this potential impact is partly limited by the large number of NGOs (estimated at approximately, 1,500 active ones in 2007, a 61.5% increase since 2000)’ (p. 2).

It presents a number of general findings about NGOs based on the previous three phases of the project.

- **There has been improvement in NGO governance practices.** In 2005, a World Bank study found that few NGOs regularly share their financial reports with the communities they work with. ‘This issue has been systematically addressed over the past three years through the drafting and establishment of the NGO Code of Conduct. However, three challenges remain: (i) the actual application of the Code of Conduct as it is now (there is no certification procedure so far, so no systematic verification that a signatory NGO does abide by all the principles of the Code); (ii) the revision of the Code to be both more sophisticated and more pragmatic; and (iii) the endorsement of the Code within the NGO law’ (p.2).

- **NGOs need to improve cooperation among themselves.** Because there are more NGOs, there is increasing competition for donor assistance which limits information sharing and competition. This is a ‘strong impediment to a more efficient NGO sector’ (p.2-3). Previous phases of the PNGO project have supported sector-wide cooperation by supporting NGO networks. This is probably the best way to address the problem of fragmentation.

- **NGOs need to improve their coordination with the public sector and other stakeholders to improve efficiency in service delivery.** NGOs duplicate some of the services provided by the PA. ‘The relationship with the PA has grown more complex, as the public sector is becoming a partner, a service provider, a critic and a rival. There has been noticeable progress in certain sectors (such as health and agriculture, education to some extent) on clarifying the role of NGOs versus the PA and establishing technical standards. This is due to an increasingly more open attitude of the PA, and a better understanding by some of the larger sectoral NGOs that they need to follow standards in order to become legitimate service providers (and ensure the sustainability of their services at the same time)’ (p.3).

The report lists a number of lessons learnt from previous World Bank projects in the Palestinian Territories, which informed the project design:

- ‘Decentralized institutions are effective in service delivery under prevailing conflict conditions which restrict the mobility of people, goods and services. This has meant that Palestinian communities have come to rely on locally based service providers such as local government units and NGOs. These structures have also accumulated experience in service provision; hence the project design provides an effective mechanism for delivering urgently needed social services’ (p. 8).

- M&E should include community participation to ensure the accountability of NGOs to the communities they serve.
This second phase of the PNGO Project sought to strengthen the capacity of NGOs to deliver services to poor and marginalized Palestinians, whilst supporting the overall development of the sector. A number of results about the effectiveness of these projects were documented in the report:

- 84.4% of beneficiaries expressed satisfaction with the services provided by NGOs.
- It was difficult to measure the sustainability of the project outcomes beyond the project cycle because of conflict conditions.
- Approximately 60% of the project beneficiaries were from the lower income groups.
- 62 NGOs (70% of sub-projects) have met their objectives and achieved the impact sought in their success indicators.
- 75% of beneficiaries interviewed were satisfied with quality of services; 89% with relevance of services; 75% reported positive impact on their lives.
- The availability of institutionalized mechanisms for improved learning, information exchange and policy development within the NGO sector and with the PA and civil society improved: an NGO portal was established with membership of 150 NGOs; report on Palestinian civil society and standard financial manuals were all completed.

Overall, the project achieved a Satisfactory Implementation Completion Report (ICR) rating. Although the project was implemented during a period of intense social and economic fragility, it nevertheless was able to achieve its objective of ‘providing basic services to the poor through the development of efficient and transparent institutions. (p. 1). The project generated a “considerable level of service provision through NGOs throughout a period when their delivery was highly jeopardized by conditions on the ground”.

The report found that ‘the rationale for continuing assistance to an active NGO sector was clear and sound, both in improving sustainable services and responding to emergency needs as they arose’. The project was established ‘to address either a stagnating (emergency assistance) or recovery (institution-building) scenario but with more emphasis on the latter in line with an optimistic Bank strategy’.

The report assessed the success of various objectives:

- **Strengthening the capacity of NGOs to deliver sustainable services to poor and marginalized people.** Although the report concedes that some of the data were based on subjective ‘satisfaction ratings’ against the objectives, these score consistently highly and provide solid evidence of success in a context where results are hard to measure. 93% of the projects addressed unmet service needs. 84% of beneficiaries reported that the project contributed towards improving the quality of services provided to them, exceeding the target value of a 60% satisfaction rate. The beneficiaries of the first PDO are described as the poor and marginalized. The objective was met in that 70% of the beneficiaries of partnership grants were from the lower poverty group.

- **Supporting the overall professional and strategic development of the Palestinian NGO sector.** This objective was partially achieved (and likely more prone to disruption by the political and security context). Support in the form of training, policy dialogue, information exchange and financial management was provided to five NGO networks and enhanced their professional credentials and financial sustainability. Two hundred NGOs participated in the development of an NGO Code of Ethics.

- **The project did not reduce the poverty rate (although this was not one of its aims):** ‘At the beginning of the project (end of 2000) the poverty rate was 30% amongst the Palestinian population of West Bank and Gaza. By 2004, the poverty rate was reported as 47% and has continued to rise. In such a situation, it is easier to find people living in poverty but much harder to be sure of reaching those most in need or those who subsequently become vulnerable’ (p.8).
The report generated a number of lessons for future implementation:

- **Ongoing engagement of beneficiaries**: The report stated that ‘without the continued participation of beneficiaries in needs assessment and analysis, standards on targeting are harder to maintain. In PNGOII targeting was left to NGO sub-projects, who in the difficult and changing circumstances seem to have done a satisfactory job’ (p.8).

- **Sustainability**: ‘Continuing volatility of the political and security situation and resulting economic and social impacts (as well as the impact on sustained donor funds) clearly threaten sustainability of the development objectives on both the service provision and NGO capacity-building fronts. Sustainable service provision also depends upon a complementarity between public and NGO programs’ (p.9). In both of the main objectives, the question of sustainability and its measurement is slightly problematic especially where the outcome is beyond the project’s control (i.e., the overall situation causes services to deteriorate faster than the ability of the project to improve them).

- **Monitoring and Evaluation**: The study found that although projects in conflict-affected environments are likely to rely heavily on qualitative data, this data should be systematically organised in order to avoid anecdotal conclusions.

- **Variety in Grant types**: The PNGO II Project demonstrated the need for a variety of grant types to accommodate NGO partners at different stages in organisational development.

- **Capacity-Building**: This takes time especially in conflict-affected or unstable contexts and long-term engagement is critical.

- **Types of projects that are needed to serve the interest of the poor and marginalized**: There was some consensus that increasing the coverage of services, developing occupational skills, decreasing the cost of services and supporting income generating projects were the most successful types of project (p. 23).


This report does not focus on the work of PNGOs, but nevertheless makes a few relevant points. It states that in 2007 NGOs were facing severe funding restrictions and were forced to make staff redundant. Locally-rooted NGOs remained critical providers of social services. Because many of these organisations were rooted in the communities that they served, they were able to promote community participation and foster dialogue. The ongoing economic crisis is stretching the limits of NGOs’ capacity as there is growing demand for their services but declining resources to fund them.


‘This study investigates the role and performance of PNGOs as service providers in three sectors – health, education and agriculture. It provides systematic information on the work of PNGOs, identifies areas of strength and weakness and suggests how their contribution to service delivery and the socio-economic development process might be improved. The research is based on fieldwork conducted in 2004 and 2005, a period when the region faced a number of challenges including a faltering peace process, political instability, a depressed economy and reductions in per capita income. The Palestinian Territories were heavily dependent upon foreign aid. There was also hope during this period that Israel might ‘disengage’ from Gaza and parts of the West Bank and there were signs of economic...
The findings remain relevant as they ‘provide insights into the constraints and opportunities that PNGOs will face under almost any imaginable scenario’ (p.7).

- **The Scope of PNGO Services:** The study shows that the role of PNGOs vis-à-vis other service providers varies considerably across the and within the three sectors reviewed. PNGO services are most frequently used when the PA has weak capacity and the cost of acquiring services from the private sector is high. The scale of PNGO service provision is highest in agriculture, followed by vocational training and pre-school education; it is less significant in the health sector. PNGOs account for 29% and 32% of the total number of primary health care centres and hospital beds respectively, and for 26% of the human resources employed by the sector. At the same time, PNGOs only account for 11.7% of the total household utilization of health services. In education, PNGOs account for 21% of pre-school services. In agriculture PNGOs account for up about 53% of services, compared with the PA’s 30% and the private sector’s 18%.

- **Beneficiaries of PNGO Services:** PNGOs have to charge a fee for the services they deliver, and therefore when they have the option of receiving the same service, but for a lower price, the poor will generally not choose to utilize PNGO services. Therefore, the study confirms that in many instances, the beneficiaries of PNGO services are largely from households with higher income levels. However, the profile of PNGO beneficiaries varies considerably across the sectors reviewed. In the health sector, poor households account for 40% of the beneficiaries of PNGO services. 50% of families using PNGO pre-school services came from low income families. Low-income households accounted for 50% and 60% respectively of all beneficiaries of vocational training and agricultural services provided by PNGOs. ‘Only in the agricultural sector did PNGOs confirm that they targeted their services to marginalized areas or poor households (43% of respondents, as opposed to 10% in health and 11% in education). However, all PNGOs identified individual income level as an important criterion for beneficiary selection’ (p. 9)

- **NGO Accountability:** PNGOs were more concerned with ‘vertical accountability’ to donors, the PA and their boards than with ‘horizontal accountability’ to the communities they served. The study found that there was a fairly rigorous level of monitoring and reporting of projects. ‘PNGO capacity to investigate the broader impact of their services outside specific project frameworks was generally much less developed, with the level of participation by beneficiaries in the design and assessment of service delivery programs also very low’ (p.10).

- **Leadership and Management Practices:** ‘While PNGOs are led by highly professional staff, selection processes used for recruiting NGO directors are generally non-competitive and lack transparency---reinforcing the perception that PNGOs are governed by a ‘small elite’” (p.10).

- **Quality of Service Delivery:** PNGOs monitoring of quality and impact was weak. This was largely because of a lack of harmonized quality standards. Only larger NGOs monitored impact according to clearly identified benchmarks. The overall rate of beneficiary satisfaction with PNGO services was very high. Satisfaction varied by sector, however. Only 14% of beneficiaries of PNGO job creation programmes reported that these programmes had helped them to find a job. Beneficiaries reported that PNGO agricultural services had not helped them to start new activities or increase income levels. This is because PNGOs concentrate more on the provision of training, subsidising agricultural inputs and land reclamation than on providing credit and access to markets.

- **Funding Patterns:** PNGOs’ capacity to generate local revenues is very limited. International funding tends to be biased towards larger NGOs, and to those working in the health sector. The work of PNGOs is ‘heavily constrained by the unpredictability and lack of transparency in the provision of donor funding. Donor grant funding and reporting policies are generally perceived as overly complex, and funding is seen as provided in general for excessively short periods of time, a factor which hinders the ability of PNGOs to plan ahead and to focus on improving quality and sustainability’ (p. 11).
Cooperation with the PA and other Local Partners: Cooperation between PNGOs and the PA is generally positive, but does not extend to the level of active collaboration in policy and sector planning. Cooperation between PNGOs, local government and the private sector remains very limited.

The study makes a number of recommendations:

- ‘The Palestinian population is increasing rapidly; the economy, beset by conflict and closure, is currently unable to sustain adequate levels of public welfare (let alone improve them). In such a context the need for PNGOs as service providers is likely to increase with time, and donors should recognize this through appropriately enhanced levels of support. To improve the effectiveness of PNGO support, though, donors need to develop a better awareness of capacity and demand within the entire service delivery system’.
- The PA and PNGOs should collaborate on developing simple, transparent quality and performance standards for service delivery. In parallel, efforts to strengthen the monitoring function of the specialized ministries should be intensified.
- PNGOs should be supported and encouraged to target their services more explicitly towards the poor. Given the particularly high rates of poverty in Gaza, PNGOs should be encouraged to expand their presence there, complementing the role of the PA and UNRWA.
- Given their important role as representatives of civil society, PNGOs should broaden their constituency base with both civil society and grassroots based organizations. This process should be accompanied by increased advocacy of more equitable and inclusive social policies.
- PNGO networks and umbrella organizations should intensify efforts to enhance accountability through the development and adoption of a PNGO Code of Conduct (which should include measures designed to increase transparency in hiring, policy formulation and financial management). This would help promote greater transparency and improved performance in the sector.
- Opportunities for forming PNGO partnerships, in particular with local government, should be more actively explored—possibly through joint funding mechanisms. Such partnerships are very important to the long-term sustainability of PNGOs.
- Donors should take a more systematic approach to PNGO funding, placing less emphasis on ad hoc project financing and more on sub-sectoral programs. Donors should also be prepared to support PNGO activities on a more sustained basis in order to allow for fuller institutional maturation to take place. Donors should also place more emphasis on supporting the professional evolution of PNGOs, This should help develop PNGO transparency, and thereby legitimacy vis-à-vis the public and beneficiaries. The PA and donors could also consider NGO representation in their aid-coordination structures to help create greater harmonization with donor-financed developmental/institutional building programs delivered through the PA’ (p.12-13).

http://www.escwa.un.org/divisions/ecri_editor/Download.asp?table_name=ecri_meetings&field_name=id&FileID=4

This report provides an account of a UN meeting, which examined development interventions in Iraq, the Palestinian Territories and Lebanon. Participants at the meeting stressed the need for a long-term development strategy in spite of crisis conditions and the importance of ‘privileging institution building, good governance, and the development of citizenship participatory norms’ (p.1).

The report states that donors should be highly selective when funding NGOs. Organisations that serve parochial agendas should be avoided. Islamist NGOs may pose a special challenge to donors. They may be effective service providers and legitimate in the eyes of the local community, but may also promote exclusivist ideologies. Dealing with NGOs with Islamist affiliations is one of the key challenges facing donors operating in crisis conditions.
All participants stressed the important role played by Palestinian civil society organisations in supporting development in the Palestinian Territories, despite their limited resources and the restrictions imposed by the occupation. PNGOs played a leading role in building human capital and the grass-roots capacity in a number of fields. One participant argued that NGO activities in the Palestinian Territories had not helped to strengthen weak trade unions, professional syndicates and political parties (p.13).


This report evaluates a ‘Cash for Work’ project implemented by Islamic Relief in response to the Gaza crisis in 2009. The project aimed to improve the living conditions of ‘target breadwinners’ in Gaza while making some improvements to damaged infrastructure. The project responded to the sharp increase in unemployment in Gaza in this period (from about 30% to 45%). The report found that the project succeeded in increasing people’s access to essential living items, enhancing the skills of workers and supporting public infrastructure. A high level of satisfaction was found from all parties.

The report generated a number of lessons:

- Strong dialogue with communities was instrumental to the project’s success.
- The targeting criteria for selecting participants was commended for being particularly clear and there was very good adherence to selection criteria.
- Similar future projects could be improved by providing more opportunities for women and disabled people to benefit from cash employment opportunities.
- Needs assessments should be continually updated to reflect a changing social and economic climate.
- The wage level should reflect labour market conditions. This level should be carefully coordinated with other agencies and with the local authorities.

7. Other relevant documents


This document was drawn up by a coalition of umbrella organisations which included the Palestinian General Union for Charitable Societies, the Palestinian NGO Network, the National Institute for Palestinian NGOs and the Palestinian General Union for NGOs - Gaza. These organisations developed the Code of Conduct after discussions with more than 200 NGOs in the West Bank and Gaza. It ‘sets the standard for the ethical and work behavioral patterns within the framework of the functioning of NGOs. It specifies the ground rules needed to be observed by the Board, administration and staff while fulfilling their tasks’.

Map of Palestinian Private Sector Development

This document provides a directory of the organisations involved in the development of the Palestinian private sector. Its aim is ‘to serve as a comprehensive map of their projects and objectives, so that new efforts to develop the Palestinian private sector can build on existing ones and avoid duplicating them’.
8. Additional information

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