

**ECONOMIC AND SOCIAL  
COUNCIL**

Distr.  
LIMITED  
E/ESCWA/22/4(Part III)/Add.6  
21 March 2003  
ORIGINAL: ENGLISH

**Economic and Social Commission for Western Asia**

Twenty-second session  
Beirut, 14-17 April 2003

Item 6 (c-vi) of the provisional agenda

**REPORT OF THE EXECUTIVE SECRETARY  
ON THE ACTIVITIES OF THE COMMISSION****FOLLOW-UP ACTION ON THE RESOLUTIONS OF THE COMMISSION  
ADOPTED AT ITS TWENTY-FIRST SESSION**

*Rehabilitation of economic sectors in Palestine: resolution 237 (XXI)*

**Summary**

1. The Economic and Social Commission for Western Asia (ESCWA) is planning to organize an international Arab forum on the socio-economic rehabilitation and development of the occupied Palestinian territory.
2. ESCWA intends to undertake missions to the occupied Palestinian territory. The aim of these missions is to establish contacts with various Palestinian stakeholders, including civil society institutions, and to assess the capacity of the Palestinian Authority.
3. A consultative meeting for all concerned partners is scheduled to be held prior to the forum.
4. The aim of the forum is to provide Palestinian representatives with an opportunity to address the international community with regard to the issue of socio-economic rehabilitation. These needs would be considered in the context of the activities of concerned institutions.

**REHABILITATION OF ECONOMIC SECTORS IN PALESTINE**

5. At its twenty-first session, ESCWA adopted resolution 237 (XXI) of 11 May 2001 on the rehabilitation of economic sectors in Palestine. The Commission, convinced of the need to take practical measures to assist Palestine in rehabilitating its economic sectors, requested the Executive Secretary "to include under the budgetary resources available to the secretariat activities to be planned by the secretariat and implemented in consultation with the relevant Palestinian institutions" and further requested the Executive Secretary "to take measures to ensure that the extrabudgetary resources necessary to finance such activities are available, by lobbying for relevant funding institutions". The resolution was drafted in the context of the difficult economic conditions being endured in the occupied Palestinian territory, the damage sustained by the Palestinian economic infrastructure and the need to take practical measures to rehabilitate its economic sectors.

6. Since the adoption of the resolution, the situation has worsened, with the partial or complete destruction of Palestinian institutions, infrastructure and homes reaching unprecedented proportions, thereby resulting in detrimental social conditions. Consequently, issues related to social reconstruction must also be addressed.

7. In this context, ESCWA has initiated close consultations in addition to numerous meetings with the Palestinian Authority, represented by the Minister of Planning and International Cooperation of the Palestinian Authority, Nabil Shaath. Consultations have served to shed additional light on the magnitude of the destruction. Taking into account numerous requests from the Palestinian Authority, it became clear that assistance was required in the majority of its socio-economic sectors. Therefore, it was decided that these issues would be addressed at an international Arab forum on the socio-economic rehabilitation and development of the occupied Palestinian territory. The Commission has allocated funds to facilitate the preparatory process and secured the partnership of the Palestinian National Authority and the League of Arab States in convening the forum. The United Nations Development Programme (UNDP), United Nations Conference on Trade and Development (UNCTAD) and the Office of the United Nations High Commissioner for Human Rights (OHCHR), are also exerting efforts to ensure that the forum takes place.

8. ESCWA, the Palestinian Authority and the League of Arab States, in cooperation with UNCTAD, UNDP and OHCHR, established an advisory group in order to further develop the concept of the forum and its preparatory process. Furthermore, serious efforts are being exerted to involve other partners, namely, the Arab Fund for Economic and Social Development, the World Bank and the United Nations Special Coordinator for the Middle East Peace Process. The mandate of the advisory group is the implementation of the preparatory process that would lead to the successful initiation of the forum. In that regard, the role of all United Nations entities on the ground must always be highlighted and taken into consideration, in particular, the roles of the Jerusalem Office of UNDP and the United Nations Relief and Works Agency for Palestine Refugees in the Near East. The advisory group aims to be in continuous contact with these entities for coordination, consultation and complementary action.

9. The advisory group recommended holding one or more consultative meeting(s), prior to the convening of the forum. Convening the consultative meeting would ensure that the social and economic issues are kept on the agenda of the international community despite political turmoil and confrontation in the occupied Palestinian territory, pending a suitable time to convene the forum. The consultative meeting, scheduled to convene from 1 to 3 April 2003, is to be a highly specialized three-day event. Participants shall be drawn from relevant United Nations entities, Arab organizations, Palestinian institutions and the Palestinian Authority. However, due to the current situation in the region, the consultative meeting was postponed.

10. The advisory group plays an important role with regard to attempting to establish contact with concerned Palestinian ministries, institutions and non-governmental organizations (NGOs), rather than restricting the process to formal channels. It is hoped that mechanisms can be established that would enable the Palestinian economy to withstand occupation. To this effect, a number of missions from ESCWA were planned with the aim of initiating contacts with concerned parties from the Palestinian Authority, United Nations entities on the ground and institutions of Palestinian civil society. The importance of the mission was attributed to identifying the capacity of the Palestinian Authority. Furthermore, the Executive Secretary of the Commission planned to undertake a larger mission to the occupied Palestinian territory, which she would head. However, the situation in the occupied Palestinian territory, and the reluctance of the authorities in Israel to issue entry permits, has forced the repeated postponement of these missions.

11. In addition, the aim of the forum is to highlight the importance of sustaining efforts pertaining to the social and economic development of the occupied Palestinian territory. In particular, development efforts must continue to offer support to the economy and the Palestinian people, thereby providing a means of facing the hardships resulting from occupation. To this effect, the representatives of the Palestinian Authority—in addition to those of Palestinian civil society—will be the principal actors and owners of the Palestinian development vision and related projects.

12. ESCWA is the only United Nations institution in which Palestine enjoys full membership rights. Therefore, the aim of the forum is to provide an opportunity for Palestinian representatives to address the international community concerning their needs, in addition to strategies for social and economic development that would lead to a viable and independent Palestinian State. This is particularly important at a time when the focus of such meetings tends to be on political and military confrontation.

13. The aim of the envisaged forum is also to provide a platform for participating organizations within the United Nations system to present their concerns to Arab States and to outline ongoing activities, needs, future plans and recommendations concerning the process of social and economic rehabilitation and the development of the occupied Palestinian territory. In addition, the forum aims to sustain the mobilization of Arab States, NGOs and the private sector with regard to continuing active efforts in the rehabilitation and development of the occupied Palestinian territory. ESCWA is hopeful that the deliberations of the forum, based on a concerted regional effort, would facilitate the foundation of a future vision for the social and economic rehabilitation of the occupied Palestinian territory.

14. Furthermore, the aim of the forum is to provide an opportunity to share information concerning the financial contribution of the Arab States to the Palestinian people. Moreover, Arab States must be encouraged to support those in the occupied Palestinian territory, by all means possible. In addition, the forum aims to address the issue of opening Arab markets to Palestinian exports and labour and to assist in integrating the Palestinian economy with those of other Arab countries in the region.

15. The social and economic development of the occupied Palestinian territory cannot be viewed solely as an Arab responsibility. Indeed, Arab efforts must complement international endeavours. The convening of such a forum emphasizes the responsibility of the international community and places Arab contributions with the context of international efforts.

16. Developing the capability of policy analysis in the various sectors of the occupied Palestinian territory is of primary importance and, consequently, must be tackled by the forum and its preparatory process. Hence, socio-economic support must focus on the development of human resources in the occupied Palestinian territory, in addition to improving the living conditions of the Palestinian people. The importance of municipalities and civil society with regard to understanding the needs and prerogatives of local governance must be addressed. Activities, such as the twinning of Palestinian and Arab municipalities must be encouraged. Such activities carry with them the advantage of creating personal relationships, in addition to assisting in overcoming the current state of disrupted operation of Palestinian institutions. In addition, serious efforts must be exerted to increase the awareness of information technology (IT).

17. At the present time, the Palestinian capacity for medium- to long-term planning has been severely eroded. However, there are urgent short-term needs, which the Palestinian Authority cannot distance itself from. Therefore, ESCWA and the forum must strive to engage senior Arab officials to further support the short- and medium-term needs of Palestinians. The preparatory process must include targeted deliberations on the basis of very thoroughly prepared economic and social papers.

18. In this regard, the Minister of Planning and International Cooperation of the Palestinian Authority, Nabil Shaath, has requested that the ESCWA secretariat mobilize a high-level team of experts to operate in liaison with the Ministry of Planning and International Cooperation of the Palestinian Authority. Such a team would, to a certain extent, compensate for the heavy brain drain from the area. The aim of this team, which can be called a brain trust, would be to convey to the international community, the need and the aspiration of the Palestinian Authority to be considered in the activities of concerned organizations.

19. The forum must be viewed as a component of a continuous process. That process involves establishing a brain trust and drafting an action plan for the rehabilitation of economic sectors of the occupied Palestinian territory. Ideally, the forum must achieve the following goals:

- (a) Increase awareness of the socio-economic needs of the Palestinian people;
- (b) Increase awareness of the activities and visions of all concerned parties related to the socio-economic rehabilitation of the occupied Palestinian territory;
- (c) Provide assistance to the Palestinian Authority with regard to drafting a unified blueprint for the socio-economic rehabilitation of the occupied Palestinian territory;
- (d) Provide assistance to the Palestinian Authority with regard to mobilizing the necessary resources to implement the blueprint.

-----