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The World Bank

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Report No. P-6584-XO

MEMORANDUM AND RECOMMENDATION
OF THE
PRESIDENT OF THE
INTERNATIONAL DEVELOPMENT ASSOCIATION
ACTING AS TRUSTEE FOR THE TRUST FUND FOR GAZA
TO THE
EXECUTIVE DIRECTORS
ON A PROPOSED CREDIT
IN THE AMOUNT EQUIVALENT TO US\$20 MILLION
TO
THE PALESTINIAN ECONOMIC COUNCIL
FOR DEVELOPMENT AND RECONSTRUCTION
FOR AN
EDUCATION AND HEALTH REHABILITATION PROJECT

MAY 23, 1995

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CURRENCY EQUIVALENTS

(as of May 1995)

Currency Unit - New Israeli Shequalim (NIS)

US\$1.00 = NIS 2.95

WEIGHTS AND MEASURES

1 m = 1.09 yd

1 m² = 10.76 sq. ft.

1 km = 0.62 mi.

1 km² = 0.38 sq. mi.

ABBREVIATIONS

ERP	-	Emergency Rehabilitation Project
GDP	-	Gross Domestic Product
GNP	-	Gross National Product
ICB	-	International Competitive Bidding
IBRD	-	International Bank for Reconstruction and Development
IDA	-	International Development Association
NCB	-	National Competitive Bidding
PCU	-	Project Coordination Unit
MEHE	-	Ministry of Education and Higher Education
MOH	-	Ministry of Health
NGO	-	Non-Governmental Organization
PA	-	Palestinian Authority
PECDAR	-	Palestinian Economic Council for Development and Reconstruction
TATF	-	Technical Assistance Trust Fund
UNESCO	-	United Nations Education Scientific and Cultural Organization
UNRWA	-	United Nations Relief and Works Agency

FISCAL YEAR

January 1 - December 31

**WEST BANK AND GAZA
EDUCATION AND HEALTH REHABILITATION PROJECT
CREDIT AND PROJECT SUMMARY**

Borrower: Palestinian Economic Council for Development and Reconstruction (PECDAR)

Implementing Agencies: Ministry of Education and Higher Education and Ministry of Health

Beneficiaries: Ministry of Education and Higher Education and Ministry of Health

Poverty Category: Program of Targeted Interventions. Specific project activities with a poverty-reduction focus include: (a) rehabilitation of schools in the most dilapidated condition (and therefore, likely to be in the poorest areas); and (b) upgrading of primary health care facilities which are more accessible to the poor.

Credit Amount: US\$20.0 million equivalent

Terms: IDA credit terms with 40 years maturity, including 10 years grace

Financing Plan:

	Local	Foreign	Total
	-----US\$ million-----		
Palestinian Authority	12.0 ¹	-	12.0
Trust Fund for Gaza	13.4	6.6	20.0
Total Project	25.4	6.6	32.0

Economic Rate of Return: Not applicable

Environment Rating: "B"

Staff Appraisal Report: 14280 XO

Map No.: IBRD 26919

Project ID No.: 35996

^{1/} Representing the value of land (40,000 M²) provided by the PA for seven new schools in Gaza.

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1. I submit for your approval the following memorandum and recommendation on a proposed Trust Fund credit to the Palestinian Economic Council for Development and Reconstruction (PECDAR) in the amount of US\$20.0 million equivalent to help finance an Education and Health Rehabilitation Project. The proposed Trust Fund credit would be on IDA terms, with 40 years maturity, including 10 years grace.
2. Human resource development is a major factor in developing and sustaining economic growth. Quality education and health care are essential for the development and maintenance of a stable social environment and the formation of a society that can look optimistically to the future. The proposed project aims to assist the people of the West Bank and Gaza (WBG) to realize these objectives.
3. **BACKGROUND.** The Agreement on the Gaza Strip and Jericho Area signed in May 1994, and the Agreement on Preparatory Transfer of Powers and Responsibilities, signed in August 1994 gave full responsibility to the Palestinian Authorities (PA) for all public services in Gaza and the District of Jericho, and for selected services, including education and health, in the West Bank. Since August 1994, national programs have been developed by the Ministry of Education and Higher Education (MEHE) and the Ministry of Health (MOH) and both Ministries are demonstrating commitment to the development of leadership and technical skills in their respective sectors.
4. The combined area of the West Bank and Gaza (WBG) is 6,000 square kilometers. The 1993 estimated combined population was about 2.3 million. More than 50 percent of the combined populations are 15 years or younger and the population is increasing rapidly at the rate of 4% per annum. The West Bank and Gaza differ in demographics, infrastructure and economic status. Most of the West Bank has a population density of 227 persons per square kilometer, with 32 percent of its population registered as refugees. The Gaza Strip, has a dense population of 2,225 persons per square kilometer. Registered refugees are 72 percent. GNP per capita is significantly lower in Gaza. Gaza was previously administered by Egypt, while the West Bank was part of Jordan. This has resulted in differences in service provision, such as the use of different school curricula and materials.
5. The Education Sector. There are 1,300 primary and secondary schools (1993) accommodating close to 600,000 students (grades 1-12). About 80% of these schools are located in the West Bank and 20% in Gaza. About 25% of these schools offer secondary education. The PA operates about 73% of all primary and secondary schools; UNRWA, 14%; and the private sector, the remaining 13%. The lack of current census data by age makes it impossible to accurately estimate the percent of school-age children enrolled at each level. It is estimated that close to 100% of the relevant age children are enrolled in the earlier grades, but the percentage declines for grades 9 through 12.
6. The main education sector issues are: Enrollments. Given the very young demographic profile of the WBG population, each year an estimated 18,000 new student places need to be created¹. To keep expenditures at a manageable level, MEHE will in the near future need to consider policy

^{1/} Excluding UNRWA and private sector schools.

changes, such as double shifts that will optimize the use of its school facilities; Inadequate facilities and maintenance. Locations of schools do not always match the residential catchment area of school children. Many schools built in the 1950s-1960s were poorly designed, constructed and maintained. About 1,400 classrooms (17 percent) of 8,200 classrooms in West Bank are using rented houses, resulting in uneconomically small classes, wasting teacher resources. Due to severe lack of maintenance, many of these facilities are now dilapidated beyond repair and need to be replaced; Use of two curriculum systems, inadequate teacher training, and shortage of reading materials. Two distinct curricula are being used in the WBG. The West Bank using the Jordanian curriculum, and Gaza the Egyptian. In the 95/96 school year the new Jordanian curriculum and textbooks are being introduced in the West Bank for the first time. In parallel, the new Egyptian curriculum and textbooks are also being introduced in Gaza. However, teachers have not been trained to use either of these curricula which require different pedagogical approaches and subject knowledge to the ones formerly used. Many teachers are teaching subjects for which they were not trained. Schools also lack supplementary reading materials, libraries, science equipment and laboratories and basic equipment such as globes, maps and other teaching aids; Unmet needs for disadvantaged groups. There are several educationally disadvantaged groups with differing needs including students still in school and school leavers whose learning was disrupted by the *Intifada*; and Sector policy and management. Reliable data on which to base policy decisions are lacking, and few staff have experience in education system management. In the long-term, MEHE will need to prepare for merger with the UNRWA system, and address related issues, including the variation between MEHE and UNRWA teacher salaries.

7. The Health Sector. Following the assumption of complete responsibility for all public sector health services in WBG, MOH has rapidly begun to operationalize essential policies outlined in the National Health Plan. UNRWA (restricted to registered refugees), NGOs, and the private sector also provide health care services. These agencies provide primary care as well as hospital care, directly through their own facilities or through contracts. The public sector operates 205 primary health care facilities, UNRWA operates 41, and NGOs, 192. Of the 22 hospitals in WBG, 14 are public, one is operated by UNRWA, and seven are operated by NGOs. In 1991 while still under the Israeli Civil Administration, health expenditures for Gaza and the West Bank represented approximately \$US200 million². Compared to other countries in the region, health care expenditures in WBG were relatively high, but did not translate in higher health status. Life expectancy was 65 years; infant mortality rate was estimated at 40-60 per 1,000 births. A factor for the comparatively low health indicators could be the insufficient attention given to primary and preventive health care services. Moreover, resources were unevenly distributed: Gaza and the most remote areas of the West Bank were and continue to be disadvantaged in terms of health facilities and personnel.

8. The main health sector issues are: Inadequate infrastructure. Infrastructure in the health sector suffers from lack of investment and sub-standard buildings. Some health centers are operating in non purpose-built facilities which are not suitable for use as health centers. The maintenance of some facilities have been so neglected over the years that they now need to be replaced; Variation in quality and availability of health care services. The quality of health care, measured by staffing, service volume ratios, as well as the condition of facilities, varies substantially by geographic location and sponsor. In addition, there is no standardization of services, supervision and management quality vary significantly, and training opportunities for staff are limited. There are also shortages of para-professionals and nurses; Sector management. There are few experienced health system administrators and available information for planning and policy-making is inadequate and unreliable. Differences in regional priorities, the geographical separation between the two areas and poor communications impede efficient management; Special populations. A cross-cutting issue for the health sector is the further development and provision of community mental health services to identify and treat those of all ages who have been adversely affected by the recent upheavals, as well as provide appropriate long-term services to the general population; and Sector policy. Investments in the sector are inconsistent with needs and health outcomes

^{2/} This represents about 7 percent of Gross National Product, or about 9 percent of Gross Domestic Product, a per capita expenditure of about \$US110.0 per year.

resulting in low efficiency. Factors contributing to the low efficiency include: (a) the proliferation of very small hospitals (70 percent of hospitals have under 100 beds); (b) the provision of highly specialized medical procedures in uneconomical units; (c) the insufficient attention given to preventive activities particularly for women and children.

9. **PROGRAM OBJECTIVES AND DESCRIPTION.** The proposed project is designed within the framework of a three-year program of priority needs for education and health in the West Bank and Gaza as established by the PA. The program is designed to ensure that essential health and education services run without interruption in the short-term, and to assist both MEHE and MOH implement sustainable sector strategies and establish themselves as effective institutions in the longer-term. Program components for each sector are designed to: (a) Upgrade Physical Infrastructure (US\$51.2 million for education, and US\$43.0 million for health); (b) Improve Quality of Service (US\$22.6 million for education, and US\$3.7 million for health); and (c) Develop Institutional Capacity (US\$4.2 million for education and US\$1.8 million for health). The total estimated program costs of about US\$126.8 million³ (mainly capital investments) would be financed by a credit out of the Trust Fund for Gaza (TFG) of US\$20.0 million (the Project), with co-financing in the amount of US\$106.8 million. The Project scope is limited exclusively to Gaza, as mandated by the provisions of the Resolutions of the Executive Directors of the IBRD and IDA (Resolution No. 93-11 and Resolution No. 93-7) establishing the TFG, and also to the US\$20.0 million presently available in the TFG. However, it is expected that program needs for Gaza not covered by the TFG, and those of the West Bank would be cofinanced by donors. Extensive efforts have been made to contact potential co-financiers and a number have expressed interest. Discussions are under way with the Arab Fund, ODA, EU, Italy, and Japan for an amount of about US\$45.0 million.

10. **PROJECT OBJECTIVES AND DESCRIPTION.** The Project addresses urgent physical needs, quality of service, and institutional development issues in education and health. Project components have been identified as priorities by the PA in the light of analytical work carried out with assistance from IDA and other agencies. The project would consist of the following components:

The Education Sector (US\$12.0 million)

Upgrade Physical Infrastructure (US\$12.0 million equivalent):

- (a) rehabilitate facilities, replace dangerous structures and substandard or undersized classrooms at 24 basic education schools, and replace or repair broken furniture; and
- (b) construct and furnish seven new basic education schools in under-served areas.

The Health Sector (US\$8.0 million)

Upgrade Physical Infrastructure (US\$4.5 million):

- (a) upgrade, expand, and furnish two Comprehensive Health Centers;
- (b) replace, and furnish four Comprehensive Health Centers; and
- (c) replace, and furnish four Health Centers.

Improve Quality of Service (US\$2.0 million):

- (a) initiate a quality service improvement program in primary and secondary services through technical assistance and training; and
- (b) support a health education program for schools.

3/ US\$151.0 million equivalent, including the value of land donated by communities in the West Bank (US\$3.6 million equivalent, for 15 new schools), and provided by the PA in Gaza (US\$12.0 million equivalent, for seven new schools under the TFG, and US\$8.6 million equivalent, for six new schools to be funded by donors).

Develop Institutional Capacity (US\$1.5 million):

- (a) provide technical assistance to develop a five-year plan for the health sector;
- (b) conduct a feasibility study on communication links between Gaza and West Bank health facilities to enable exchange of medical expertise and enhance the referral system; and
- (c) provide technical assistance, training and operational support for the health PCU.

11. **PROJECT IMPLEMENTATION.** The project would be implemented over a three-year period, beginning in mid-1995. To expedite project implementation during the first twelve months, PECDAR will help both Ministries in the procurement of major civil works and goods contracts. In this respect, for contracts exceeding US\$250,000, PECDAR will assist both Ministries through joint committees to: (a) review technical aspects; (b) prepare designs, specifications and bidding documents; (c) invite bids; (d) evaluate and award contracts; and (e) monitor progress and supervise contract execution. After a period of twelve months, PECDAR and the two Ministries will review implementation arrangements in consultation with IDA with the aim of devolving full responsibility for project implementation to the two Ministries. Responsibility for planning and formulation of Annual Work Plans and management and coordination of all project activities will rest with the Ministries. The project would finance 100% of total costs on account of the Borrower's inability to provide counterpart funding at this stage. To permit MEHE and MOH to proceed with advanced procurement associated with rehabilitation of schools in Gaza, the health education program, and equipment for the PCUs, retroactive financing of up to US\$1.65 million equivalent would be provided for payments made against the above activities prior to signing but after March 1, 1995.

12. The Education and Health Ministries have been receiving assistance under the Technical Assistance Trust Fund (TATF) and the Emergency Rehabilitation Project (ERP), and staff from both Ministries have been and continue to be trained under arrangements with PECDAR. Each Ministry has identified members of their staff to form the nucleus of the Project Coordination Units (PCUs) which would be in charge of project implementation. Rehabilitation work for schools and health centers have been identified through surveys at each site. Sites for 13 new schools in Gaza⁴ have been identified and ownership of land is being transferred from the Ministry of Housing to MEHE. None of the MOH health centers will require acquisition of new lands as they are all upgraded or expanded at existing sites. First year activities for both sectors have been fully identified. Prototype designs would be developed in the next few months by consultants to be hired under the TATF. Selection of architectural firms is being initiated by PECDAR.

13. The MEHE has developed proposals for project management and responsibilities for project activities at central, district, municipal and school levels. These arrangements incorporate a balanced degree of decentralization and appropriate participation from local communities and the schools themselves. Furthermore, procurement arrangements for civil works have also been proposed, delegating some responsibility for minor works (about 5-10% of civil works value) to be undertaken at the District level. Construction supervision and coordination of activities would be shared by district and school level staff to minimize overloading of MEHE staff. Private consultants would be used for the design and supervision of new schools and for the larger works packages.

14. The MOH has identified the implementation team members and is developing a training program to further augment their project management skills. Design and supervision of health sector civil works would be contracted out to private sector firms and would be managed by experienced engineering staff of the MOH. Site engineers at the district level will also assist in supervision. Engineering and maintenance staff are available at most hospital and major clinics.

15. **PROJECT SUSTAINABILITY.** Sustainability would be assured by prioritizing investment and recurrent costs and shifting priorities to more cost effective services. Proposed project components in the health sector focus on cost effective primary health care activities. The longer term project goal

^{4/} Seven of which would be constructed under the project.

would assist both the MEHE and MOH to develop their capacity to rationalize their investments in light of the resources available for their sectors. Recurrent cost implications of the project (particularly the civil works component) should be minimal. Incremental costs generated by the establishment of new clinics would be offset by reduced hospital expenditures and investments. This is part of a rationalization exercise that favors lower cost services at the primary health care level. The MOH has made substantial progress in initial steps towards cost recovery, including a health insurance scheme and the collection of local taxes. In education, most civil works would be the repair or replacement of existing unsuitable facilities. Although a few new schools would expand capacity to relieve overcrowding, most would be replacing existing buildings which are too dilapidated to repair. The recurrent cost implications on the human resource side would be relatively small. Education recovers some of its costs through school fees, municipal taxes and local community contributions. Both sectors are actively seeking ways to become financially viable.

16. **LESSONS LEARNED FROM PREVIOUS BANK GROUP INVOLVEMENT.** Due to political and institutional issues, implementation of the ERP and WBG donor assistance program have incurred delays. Border closures, fluctuations in the numbers of Palestinians working in Israel, as well as the slow pace of capacity building in general, has led to difficulties in absorbing assistance. Recognizing that successful project activities required close and intensive implementation assistance, the IBRD has established a representative office which is currently delegated with the authority to manage all on-going IBRD and IDA activities. Also, as experience has shown that frequent field supervision is essential for successful implementation especially when dealing with new borrowers, resources for intensive supervision efforts are being allocated, in conjunction with close follow-up by the representative office.

17. **RATIONALE FOR BANK INVOLVEMENT.** The IBRD has been playing an important role in the development of WBG starting in 1992 with the presentation of a policy and investments framework under the study "Developing the Occupied Territories;" the establishment of the TFG in 1993; and its administrator role in the operation of the TATF and the Holst Fund (HF) (the latter for recurrent cost financing). The IBRD's strategy for WBG focuses on four priority areas: (i) restoring and further developing basic and social infrastructures; (ii) building policy-making and institutional capabilities; (iii) supporting the emergence of the private sector; and (iv) sustaining the financial viability of the PA. The proposed project supports the objectives under items (i) and (ii) directly, and (iii) indirectly (for design and supervision services which would be contracted out to the private sector, and the construction activities). The project would also build on the ERP which in its education component focused on rehabilitation and improvement of existing school plant and equipment, textbooks, and capacity building. However, the available level of financing (\$20.5 million), was adequate for meeting only a portion of the education sector needs. Furthermore, ERP did not address the health sector. Finally, IDA's involvement in the appraisal of the WBG Education and Health Rehabilitation Program, and in the financing of this project would be expected to mobilize donor financing for the unfunded portions of the Program.

18. **AGREED ACTIONS.** During negotiations, agreement with PECDAR was reached on: (a) submission to IDA of annual work programs for project activities, joint IDA/PECDAR reviews of such programs and plans, and their implementation in a manner satisfactory to IDA; (b) distribution of responsibility among PECDAR, and the MEHE and MOH with respect to functions relating to procurement, withdrawals, accounting and reporting requirements, and operation of the special accounts; and (c) the creation of core Project Coordinating Units (PCUs), one in MEHE and one in MOH and the recruitment and appointment of key staff.

19. **POVERTY CATEGORY.** Program of Targeted Interventions. Specific project activities with a poverty-reduction focus include: (a) rehabilitation of schools in the most dilapidated condition (and therefore, likely to be in the poorest areas); and (b) upgrading of primary health care facilities which are more accessible to the poor.

20. **ENVIRONMENTAL ASPECTS.** The project has been given an environmental rating of "B." Construction debris generated by project works, as well as medical and solid wastes from upgraded clinics and hospitals, will be properly disposed of, and waste management procedures would be

introduced to mitigate any negative environmental impact of the proposed project. An environmental analysis, carried out at pre-appraisal, recommended a comprehensive medical waste management study to assure the development of a sustainable system for the collection and disposal of medical wastes. This study is being financed through the TATF and will contain a survey of medical wastes, and recommendations for awareness and training programs, and management alternatives, including private sector participation in medical waste management. No resettlement activities are anticipated. Construction would be carried out at existing sites. New schools would be constructed at vacant sites owned by the PA or donated to the PA by local communities.

21. **PROGRAM OBJECTIVE CATEGORIES.** The education component of the project would benefit girls by: (a) providing appropriate and adequate sanitary facilities at school sites (frequently noted as beneficial to keeping girls in school); (b) developing teaching materials free of gender bias; and (c) increasing appropriate access to schools through the targeting of girls and co-educational schools. The health component would address the needs of women and children by: (a) strengthening maternal/child health care as part of primary health care services; (b) training and recruitment of women in professional positions; and (c) health education targeted to the needs of women and girls. Gender disaggregated data would be collected during project implementation.

22. **BENEFITS.** Overall, the project is expected to improve the efficiency and equity of educational and health services for a population of about one million people in Gaza. Specific potential project benefits are: (a) improved education facilities to reduce overcrowding and its adverse effects on teaching and learning; (b) improved health services through more appropriate facilities and trained health personnel; (c) more efficient mental health services; (d) improved sectoral capacity to administer and develop education and health programs essential for sustainable development in WBG; (e) increased employment in the construction industry through the construction activities generated by the project; and (f) increased economic activity in the local architectural and engineering firms who would be contracted to provide design and supervision services. The project is also expected to increase the efficiency of health and education expenditures through more rational resource allocations and better cost recovery mechanisms. In addition, the project would serve as a catalyst to attract cofinancing for implementation of the comprehensive Program. Finally, project activities would contribute to stabilizing the social environment and creating an enabling environment for future growth in the region.

23. **RISKS.** All projects in WBG face political risk. Project specific risks are also anticipated due to: (a) the physical separation between the West Bank and Gaza and intermittent border closures; (b) the significant variations in capacity and needs between the West Bank and Gaza, which are being addressed through flexibility in project design, and the development of unified policies; (c) institutional weaknesses in MEHE and MOH, which are being addressed through technical assistance from multiple donors and international agencies as well as under this project; (d) possible lack of coordination between PECNDAR (the Borrower) and the Ministries (the implementing agencies), which would be minimized by clarifying their respective roles and responsibilities. PECNDAR, which has gained considerable experience and expertise through ERP, would take the lead during the first 12 months of implementation to assist the MEHE and MOH build their project management capabilities and familiarize themselves with Bank procedures.

24. **RECOMMENDATION.** I am satisfied that the proposed Trust Fund credit would comply with the provision of the Resolutions of the Executive Directors of the IBRD and IDA (Resolution No. 93-11 and Resolution No. 93-7) establishing the TFG, and I recommend that the Executive Directors approve it.

Richard H. Frank
President *ad interim*

Attachments

Washington D.C.
May 23, 1995

**WEST BANK AND GAZA
EDUCATION AND HEALTH REHABILITATION PROJECT**

Estimated Cost and Financing Plan

Project Cost Summary by Component

	(US\$ million)			% Foreign Exchange	% Total Base Costs
	Local	Foreign	Total		
A. Strengthen the Education Sector					
1. Upgrade Physical Infrastructure	7.10	2.96	10.06	29	56
2. Develop Institutional Capacity	0.38	0.24	0.62	38	3
Subtotal	7.48	3.20	10.68	30	59
B. Strengthen the Health Sector					
1. Upgrade Physical Infrastructure	2.91	1.21	4.12	29	23
2. Improve Quality of Service	0.90	0.97	1.87	52	10
3. Develop Institutional Capacity	0.82	0.58	1.40	42	8
Subtotal	4.62	2.76	7.38	37	41
Total Baseline Costs	12.10	5.96	18.06	33	100
Physical Contingencies	0.91	0.42	1.33	32	7
Price Contingencies	0.41	0.19	0.60	32	3
Total Project Costs	13.42	6.58	20.00	33	111

Figures may not add due to rounding

Financing Plan

	Local	Foreign	Total
	-----US\$ million-----		
Palestinian Authority ¹	12.0	-	12.0
Trust Fund for Gaza	13.4	6.6	20.0
Total Project	25.4	6.6	32.0

^{1/} Representing the value of land provided by the PA.

**WEST BANK AND GAZA
EDUCATION AND HEALTH REHABILITATION PROJECT**

Procurement Arrangements
(US\$ million)

Category	Procurement Method			Total
	ICB	NCB	Other	
Civil works	6.14 (6.14)	6.71 (6.71)	0.72 (0.72)	13.57 (13.57)
Furniture		0.66 (0.66)	0.66 (0.66)	1.32 (1.32)
Equipment			0.24 (0.24)	0.24 (0.24)
Materials/Supplies			0.32 (0.32)	0.32 (0.32)
Specialist Services			3.51 (3.51)	3.51 (3.51)
Training			0.75 (0.75)	0.75 (0.75)
Studies			0.17 (0.17)	0.17 (0.17)
Operation			0.04 (0.04)	0.04 (0.04)
Project Management			0.08 (0.08)	0.08 (0.08)
Total	6.14 (6.14)	7.37 (7.37)	6.49 (6.49)	20.00 (20.00)

Note 1: Figures in parenthesis are the respective amounts to be financed by IDA

Note 2: "Other" includes procurement through international and local shopping, consulting services and training

Note 3: The Bank's Consultant Guidelines apply to Technical Assistance (Specialist Services)

Figures may not add due to rounding.

**WEST BANK AND GAZA
EDUCATION AND HEALTH REHABILITATION PROJECT**

Disbursement Categories
(US\$ million)

Category	Credit Allocation	Percent of Expenditure to be Financed
<u>Works & furniture</u>		100%
Education	9.75	
Health	4.00	
<u>Equipment & Materials</u>		100%
Education	0.08	
Health	0.46	
<u>Specialists, Training, & Studies</u>		100%
Education	1.15	
Health	3.07	
<u>Operating Expenditures¹</u>		100%
Education	0.05	
Health	0.08	
<u>Unallocated</u>	1.36	
Total	20.00	100%

Disbursement Schedule

	IDA Fiscal Year			
	1996	1997	1998	1999
	-----US\$ million-----			
Annual	3.3 ²	8.2	6.7	1.8
Cumulative	3.3	11.5	18.2	20.0
Percentage	17	58	91	100

^{1/} For project implementation activities of the Project Coordinating Units only.

^{2/} Includes US\$1.7 million initial deposits into the Special Accounts.

**WEST BANK AND GAZA
EDUCATION AND HEALTH REHABILITATION PROJECT**

Timetable of Key Processing Events

- (a) Time Taken to Prepare Project: 6 months
- (b) Project Prepared By: Borrower with Bank Assistance
- (c) First Bank Mission: November 1994
- (d) Appraisal Mission Departure: February 1995
- (e) Date of Negotiations: May 15, 1995
- (f) Board Presentation: June 15, 1995
- (g) Planned Date of Effectiveness: August 1, 1995
- (h) Relevant Project Completion Reports: None
- (i) Responsibilities for Preparation:
 - Task Manager: Vasilios Demetriou (MN2HR)
 - Division Chief: Jacques Baudouy (MN2HR)
 - Department Director: Inder Sud (MN2)
 - Regional Vice President: Caio Koch-Weser (MNA)
 - Peer Reviewers: Albert Eugene Aime (SA1PH)
Salim J. Habayeb (SA2PH)

**WEST BANK AND GAZA
EDUCATION AND HEALTH REHABILITATION PROJECT**

**A. Statement Of Bank Loans and IDA Credits
(As of May 23, 1995)**

LOAN OR CREDIT NO.	FISCAL YR	BORROWER	PURPOSE	(Amount in US\$ million)			CLOSING DATE
				IBRD	IDA	UNDISBURSED	
1 TF Credit TF026066	1994	PECDAR	EMERGENCY REHABILITATION	30.0		26.19	12/31/97

**B. Statement of IFC Investments
(As of May 23, 1995)**

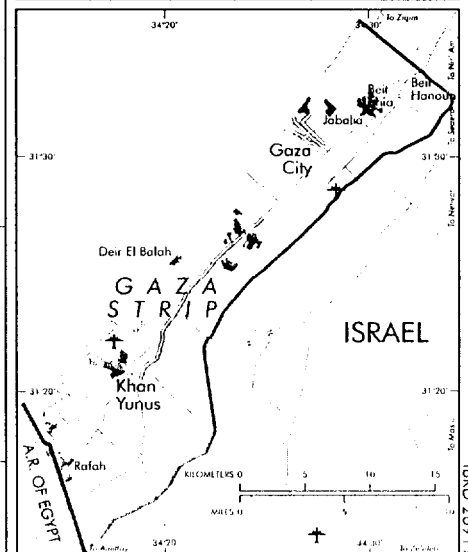
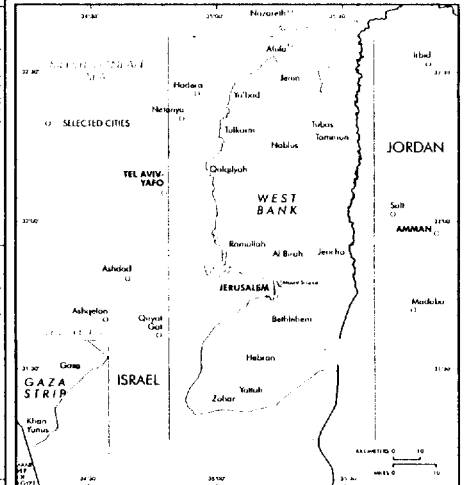
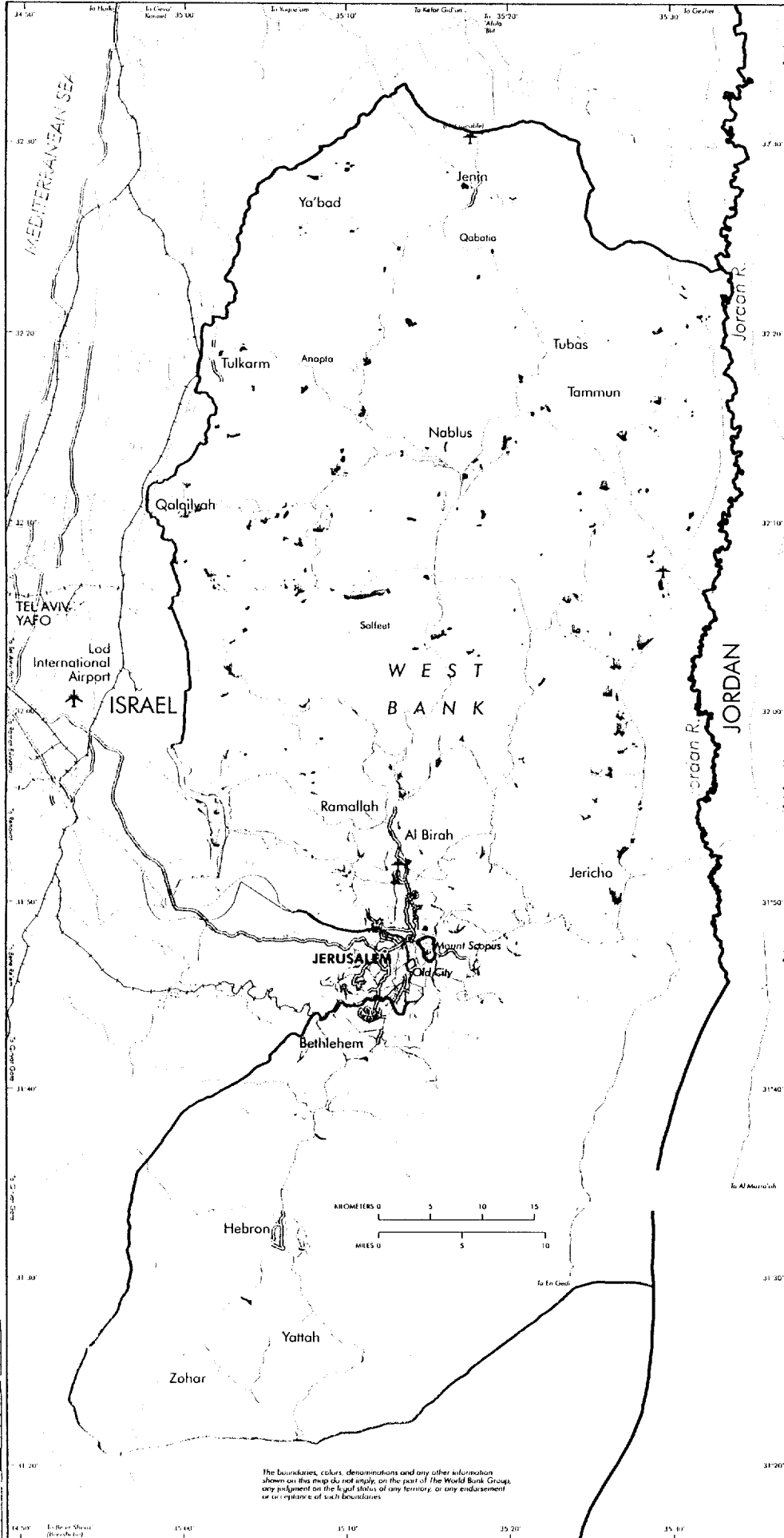
----- Original Gross Commitments ----- (Amount in US\$ million)									
Fiscal Years Committed	Obligor	Type of Business	IFC Loan	IFC Equity	Partici-pants	Total	Held by IFC	Held by Partici-pants	Undis-bursed inclu-ding Partici-pants
		Total gross commitment ^{b/}							
		Less cancellations, terminations, repayment & sales							
		Total commitments now held ^{c/}							
		Pending commitments							
		ABICOT	15.00	3.80	-	18.80			
		Total pending commitments	15.00	3.80	-	18.80			
		Total commitments held and pending commitments	15.00	3.80	-	18.80			
		Total undisbursed commitments							

- a/ Investments which have been fully canceled, terminated, written-off, sold, redeemed, or repaid.
- b/ Gross commitments consist of approved and signed projects.
- c/ Held commitments consist of disbursed and undisbursed investments.

MAP SECTION

OCCUPIED TERRITORIES WEST BANK AND GAZA STRIP EDUCATION AND HEALTH REHABILITATION PROJECT

- ✈ AIRPORTS / AIRFIELDS
- MAJOR HIGHWAYS
- TWO OR MORE LANES, HARD SURFACED ROADS
- RAILROADS
- BUILT-UP AREAS
- UNRWA REFUGEE CAMPS
- ISRAELI SETTLEMENTS
- ARMISTICE DEMARCATION LINES, 1949
- NO-MAN'S LAND AREAS, ARMISTICE DEMARCATION LINE, 1949
- - - JERUSALEM CITY LIMIT, UNILATERALLY EXPANDED BY ISRAEL JUNE 1967; THEN ANNEXED JULY 30 1980
- INTERNATIONAL BOUNDARIES



The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of The World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.

IMAGING

Report No: P- 6584 X0
Type: MOP